

## **Exhibit 2C: Intercompany transfers between Rhodes Pharma and Mundipharma Laboratories GMBH for theophylline**

On October 1, 2011, Rhodes Pharma entered into a supply agreement with Mundipharma Laboratories GMBH for theophylline.

**THIS AGREEMENT** is made the      day of              2011 by and between:

**MUNDIPHARMA LABORATORIES GMBH**, a Swiss company, having its principal place of business at St. Alban-Rheinweg 74, Ch-4020 Basel, Switzerland (the "**Seller**"); and

**RHODES PHARMACEUTICALS L.P.**, a Delaware limited partnership, having an address at 498 Washington Street, Coventry, RI 02816, USA (the "**Buyer**").

WHEREAS the Parties wish to enter into an agreement concerning the supply by the Seller of the Products (as hereinafter defined) to the Buyer on the terms hereinafter set forth.

## Exhibit 2C: Intercompany transfers between Rhodes Pharma and Mundipharma Laboratories GMBH for theophylline

According to the supply agreement, Rhodes Pharma agreed to pay prices listed in Schedule 1 subject to periodic negotiated adjustments.

### Schedule 1

#### Product and Price Listing

#### PART A - 2012

#### MUNDIPHARMA LABORATORIES GMBH

#### PRICE LIST

Mundipharma Laboratories GmbH to Rhodes Pharmaceuticals L.P.

#### United States of America

#### Prices Effective 1st January, 2012

PRODUCT DESCRIPTION		MLG EXW SUPPLY PRICE TO RPLP
		2012
<u>SALES TERMS: EXW (Canada)</u> Theophylline Tablets 400mg 100s Theophylline Tablets 600mg 100s	USD USD	

## Exhibit 2C: Intercompany transfers between Rhodes Pharma and Mundipharma Laboratories GMBH for theophylline

From October 1, 2011 to September 15, 2019, Rhodes Pharma paid Mundipharma Laboratories GMBH \$5.3 million for theophylline.

Year	Quantity	Amount
2012		\$ 212,796
2013		506,934
2014		197,148
2015		407,928
2016		1,535,881
2017		518,260
2018		1,368,630
2019		503,510
<b>Total</b>		<b>\$ 5,251,087</b>

## Exhibit 2C: Intercompany transfers between Rhodes Pharma and Mundipharma Laboratories GMBH for theophylline

The table below presents Rhodes Pharma's 2012 and 2019 purchases of theophylline as examples.

Material Description	Material Document	Posting Date	Quantity	Purchase Order	Amount
THEOPHYLLINE ER 400MG TABLETS 100s	5000120729	2/14/2012	████	4500063353	\$ 38,352.00
THEOPHYLLINE ER 400MG TABLETS 100s	5000120728	2/14/2012	████	4500063353	\$ 74,766.00
THEOPHYLLINE ER 600MG TABLETS 100s	5000120730	2/14/2012	████	4500063355	\$ 34,200.00
THEOPHYLLINE ER 400MG TABLETS 100s	5000128654	10/3/2012	████	4500066221	\$ 49,878.00
THEOPHYLLINE ER 600MG TABLETS 100s	5000128655	10/3/2012	████	4500066221	\$ 15,600.00
THEOPHYLLINE ER 400MG TABLETS 100s	5000206087	3/27/2019	████	4510005228	\$ 69,109.20
THEOPHYLLINE ER 400MG TABLETS 100s	5000206085	3/27/2019	████	4510005228	\$ 68,635.20
THEOPHYLLINE ER 400MG TABLETS 100s	5000208414	5/29/2019	████	4510005555	\$ 68,445.60
THEOPHYLLINE ER 400MG TABLETS 100s	5000208413	5/29/2019	████	4510005555	\$ 68,824.80
THEOPHYLLINE ER 400MG TABLETS 100s	5000210259	7/23/2019	████	4510006028	\$ 68,350.80
THEOPHYLLINE ER 400MG TABLETS 100s	5000210701	8/2/2019	████	4510006028	\$ 67,876.80
THEOPHYLLINE ER 600MG TABLETS 100s	5000211910	9/11/2019	████	4510006029	\$ 92,268.00

## Exhibit 2C: Intercompany transfers between Rhodes Pharma and Mundipharma Laboratories GMBH for theophylline

Below are examples from 2012 and 2019 from the previous page illustrating that amounts were paid in cash.

Doc.Type : KZ ( Vendor payment ) Normal document					
Doc. Number	1500000187	Company Code	250	Fiscal Year	2012
Doc. Date	11/28/2012	Posting Date	11/29/2012	Period	11
Calculate Tax	<input type="checkbox"/>				
Ref.Doc.	WIRE TRANSFER				
Doc. Currency	USD				

Itm	PK	Account	Account short text	Cost Ctr	Profit Ctr	Order	Tx	Amount	Text
1	50	100010	Cash Concentration		GEN			74,766.00-	
2	25	1023793	MUNDIPHARMA LABORATO		GEN			74,766.00	

Doc.Type : KZ ( Vendor payment ) Normal document					
Doc. Number	1500000818	Company Code	250	Fiscal Year	2019
Doc. Date	08/15/2019	Posting Date	08/15/2019	Period	08
Calculate Tax	<input type="checkbox"/>				
Ref.Doc.	WIRE TRANSFER				
Doc. Currency	USD				

Itm	PK	Account	Account short text	Cost Ctr	Profit Ctr	Order	Tx	Amount	Text
1	50	100010	Cash Concentration		GEN			68,350.80-	
2	25	1023793	MUNDIPHARMA LABORATO		GEN			68,350.80	



## **Exhibit 3: Intercompany Transfers Between Rhodes and Purdue**

## **VII. Exhibit 3: Intercompany transfers between Rhodes and Purdue**

- A. Intercompany transfers between Rhodes Pharma and Purdue for contract manufacturing organization services
- B. Intercompany transfers between Rhodes and Purdue for IT services, benefit plan administration, distribution services, and development services
- C. Intercompany transfers between Rhodes Pharma and Purdue for licensing generic and branded Dilaudid
- D. Intercompany transfers between Rhodes Pharma and Purdue for all rights to morphine sulfate extended release generic
- E. Intercompany transfers between Rhodes Pharma and Purdue pursuant to Butrans AG profit-sharing agreement
- F. Intercompany transfers between Purdue and Rhodes Tech for active pharmaceutical ingredients

## Exhibit 3A: Intercompany transfers between Rhodes Pharma and Purdue for contract manufacturing organization services

On October 18, 2010, Purdue, the service provider, entered into a contract manufacturing agreement with Rhodes Pharma. The agreement was amended and restated dated as of April 2, 2014, and amended dated as of March 29, 2016 and March 19, 2018.

### Original Agreement

#### **CONTRACT MANUFACTURING AGREEMENT**

Contract Manufacturing Agreement dated as of October 18, 2010 (together with the schedules and any exhibits hereto, as from time to time amended, this "Agreement"), by and between Purdue Pharmaceuticals L.P., a Delaware limited partnership ("Manufacturer"), and Rhodes Pharmaceuticals L.P., a Delaware limited partnership ("Purchaser").

### Amended and restated agreement

#### **AMENDED AND RESTATED CONTRACT MANUFACTURING AGREEMENT**

Amended and Restated Contract Manufacturing Agreement dated as of April 2, 2014 (together with the schedules and any exhibits hereto, as from time to time amended, this "Agreement"), by and between Purdue Pharmaceuticals L.P., a Delaware limited partnership ("Manufacturer"), and Rhodes Pharmaceuticals L.P., a Delaware limited partnership ("Purchaser").

### First Amendment

#### **AMENDMENT #1**

#### **TO AMENDED AND RESTATED CONTRACT MANUFACTURING AGREEMENT BETWEEN PURDUE PHARMACEUTICALS L.P. AND RHODES PHARMACEUTICALS L.P.**

This Amendment #1 to the Amended and Restated Contract Manufacturing Agreement (this "Amendment"), dated as of March 29, 2016, is by and among **PURDUE PHARMACEUTICALS L.P.** ("Purdue"), **PURDUE PHARMA L.P. ("PPLP")** and **RHODES PHARMACEUTICALS L.P. ("Rhodes")**.

### Second Amendment

#### **AMENDMENT #2**

#### **TO AMENDED AND RESTATED CONTRACT MANUFACTURING AGREEMENT BETWEEN PURDUE PHARMACEUTICALS L.P. AND RHODES PHARMACEUTICALS L.P.**

This Amendment #2 to the Amended and Restated Contract Manufacturing Agreement (this "Amendment"), dated as of March 19, 2018 ("Execution Date"), is by and between **PURDUE PHARMA L.P. ("PPLP")** and **RHODES PHARMACEUTICALS L.P. ("Rhodes")**.

**WHEREAS**, Purdue Pharmaceuticals L.P. ("Purdue") and Rhodes entered into that certain Amended and Restated Contract Manufacturing Agreement dated as of April 2, 2014, as amended by that certain Amendment #1 ("Amendment #1") dated as of March 29, 2016 (collectively, the "Manufacturing Agreement"); and



## Exhibit 3A: Intercompany transfers between Rhodes Pharma and Purdue for contract manufacturing organization services

Schedule 1 of the agreements and amendments specifies the products covered under the CMO services.

### Summary of Products Covered for CMO Services

Name of Agreement	Original Agreement	Amended and Restated Agreement	First Amendment	Second Amendment
Effective in	2010	2014	2016	2018
Oxycodone IR/HCL	x		x	x
Oxycodone APAP	x	x	x	x
Morphine Sulfate ER		x	x	x
Hydrocodone APAP			x	x
MS Contin				x
Dexmethyl HCL				x
Buprenorphine HCL				x
Hydromorphone HCL				x
Buprenorphine TDS				x

#### Note:

- Most products include varying strengths (i.e., 5 milligrams) and quantities (i.e., 50 tablets).
- Some products (e.g. Oxycodone APAP) started production a few years after they were listed in the agreements/amendments. Some products (e.g. Morphine Sulfate ER) started production before listed in the agreements. Per discussion with Purdue and Rhodes, this is because any agreements/amendments are approximate dates, and the production launch depends on the completion of development and the timing of FDA approval.
- Hydromorphone HCL and Buprenorphine TDS are manufactured by the third party manufacturers.

## Exhibit 3A: Intercompany transfers between Rhodes Pharma and Purdue for contract manufacturing organization services

From January 1, 2011 to September 15, 2019, Rhodes Pharma paid \$290.6 million to Purdue for the CMO services, inclusive of \$16.3 million in transfer pricing ("TP") adjustments which adjust full factory standard cost incurred down to previously agreed-upon contract prices.

Product	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
Morphine Sulfate ER	\$ 17,227,618	\$ 16,262,027	\$ 25,591,951	\$ 19,548,180	\$ 16,702,113	\$ 10,764,115	\$ 9,154,794	\$ 12,588,395	\$ 7,962,369	\$ 135,801,561
Oxycodone APAP	-	-	-	6,080,578	10,645,036	24,818,928	23,219,950	27,308,720	20,024,302	112,097,512
Oxycodone HCL	488,261	66,257	63,506	5,227,920	3,768,564	7,976,191	9,312,233	8,539,467	13,015,926	48,458,325
Buprenorphine HCL	-	-	-	-	-	-	402,205	2,892,510	2,775,233	6,069,949
MS Contin	-	-	-	-	-	-	462,956	-	395,282	858,238
Dexmethyl HCL	-	-	-	-	-	-	206,288	66,948	155,192	428,428
Hydrocodone/APAP	-	-	-	-	-	-	-	103,096	124,610	227,706
Hydromorphone (Dilaudid)	-	-	-	-	-	-	-	-	2,300,682	2,300,682
Amphetamine	-	-	-	-	-	-	-	-	699,397	699,397
<b>Total before TP adjustments (a)</b>	<b>\$ 17,715,879</b>	<b>\$ 16,328,283</b>	<b>\$ 25,655,457</b>	<b>\$ 30,856,677</b>	<b>\$ 31,115,712</b>	<b>\$ 43,559,234</b>	<b>\$ 42,758,426</b>	<b>\$ 51,499,136</b>	<b>\$ 47,452,993</b>	<b>\$ 306,941,798</b>
TP adjustments (b)	-	-	(4,697,541)	(2,942,730)	(2,782,019)	(4,362,197)	(1,516,423)	-	-	(16,300,910)
<b>Total (c=a+b)</b>	<b>\$ 17,715,879</b>	<b>\$ 16,328,283</b>	<b>\$ 20,957,916</b>	<b>\$ 27,913,948</b>	<b>\$ 28,333,693</b>	<b>\$ 39,197,037</b>	<b>\$ 41,242,003</b>	<b>\$ 51,499,136</b>	<b>\$ 47,452,993</b>	<b>\$ 290,640,888</b>

### Note:

Per discussion with Purdue, Purdue started to manufacture and sell the products under the CMO services to Rhodes Pharma in 2011.

## Exhibit 3A: Intercompany transfers between Rhodes Pharma and Purdue for contract manufacturing organization services

According Purdue Pharmaceuticals L.P.'s (a subsidiary of PPLP) accounting records, Purdue Pharmaceuticals L.P. (SAP company code 219) charged Rhodes Pharma for CMO services through G/L account 401000 (Gross Sales). 2018 is illustrated below.<sup>1</sup>

G/L Account Company Code		401000 219		Gross Sales before off-invoice discounts					
CoCd	DocumentNo	Pstng Date	Type	Reference	Account	Profit Ctr	Text	Amount in local cur.	LCurr
<input type="checkbox"/> 219	92386107	14.12.2018	ZD	0000895114	401000	ORW		91.491,10-	USD
<input type="checkbox"/> 219	92386108	14.12.2018	ZD	0000895115	401000	ORW		113.997,30-	USD
<input type="checkbox"/> 219	92386110	14.12.2018	ZD	0000895121	401000	ORW		109.132,40-	USD
<input type="checkbox"/> 219	92388410	18.12.2018	ZD	0000895089	401000	MWI		198.128,70-	USD
<input type="checkbox"/> 219	92388411	18.12.2018	ZD	0000895090	401000	MWI		204.315,65-	USD
<input type="checkbox"/> 219	92388999	19.12.2018	ZD	0000895135	401000	ORW		159.004,16-	USD
<input type="checkbox"/> 219	92388996	19.12.2018	ZD	0000895116	401000	ORW		114.534,80-	USD
<input type="checkbox"/> 219	92388997	19.12.2018	ZD	0000895133	401000	ORW		158.663,68-	USD
<input type="checkbox"/> 219	92388998	19.12.2018	ZD	0000895134	401000	ORW		158.730,56-	USD
<input type="checkbox"/> 219	92389000	19.12.2018	ZD	0000895136	401000	ORW		159.101,44-	USD
<input type="checkbox"/> 219	92389851	20.12.2018	ZD	0000890570	401000	BPS		54.446,98-	USD
<input type="checkbox"/> 219	92389848	20.12.2018	ZD	0000890572	401000	BPS		23.088,55-	USD
<input type="checkbox"/> 219	92389849	20.12.2018	ZD	0000890573	401000	BPS		23.987,85-	USD
<input type="checkbox"/> 219	92389850	20.12.2018	ZD	0000890569	401000	BPS		51.289,77-	USD
<input type="checkbox"/> 219	92389852	20.12.2018	ZD	0000890571	401000	BPS		67.875,76-	USD
<input type="checkbox"/> 219	92389853	20.12.2018	ZD	0000895099	401000	MWI		280.126,05-	USD
<input type="checkbox"/> 219	92389854	20.12.2018	ZD	0000895123	401000	ORW		108.929,60-	USD
<input type="checkbox"/> 219	92389855	20.12.2018	ZD	0000895124	401000	ORW		108.856,80-	USD
<input type="checkbox"/> 219	92389856	20.12.2018	ZD	0000895126	401000	ORW		104.641,84-	USD
<input type="checkbox"/> 219	92389857	20.12.2018	ZD	0000895125	401000	ORW		108.846,40-	USD
*								51.499.135,99-	USD

This last payment is used as an example hereafter in Exhibit 3A.

<sup>1</sup>The SAP screenshot does not include all entries for 2018 – Excerpt version shown.

## Exhibit 3A: Intercompany transfers between Rhodes Pharma and Purdue for contract manufacturing organization services

According Purdue Pharmaceuticals L.P.'s accounting records, Purdue Pharmaceuticals L.P. (SAP company code 219) charged Rhodes Pharma for CMO services through G/L account 401000 (Gross Sales). Charges incurred in December 2018 are illustrated below to use as an example hereafter in Exhibit 3A.<sup>1</sup>

G/L Account Company Code		401000 219	Gross Sales before off-invoice discounts					
CoCd	DocumentNo	Pstng Date	Type	Reference	Account	Text	Amount in local cur.	LCurr
<input type="checkbox"/> 219	92386108	14.12.2018	ZD	0000895115	401000		113.997,30-	USD
<input type="checkbox"/> 219	92386109	14.12.2018	ZD	0000895100	401000		357.339,84-	USD
<input type="checkbox"/> 219	92386110	14.12.2018	ZD	0000895121	401000		109.132,40-	USD
<input type="checkbox"/> 219	92388410	18.12.2018	ZD	0000895089	401000		198.128,70-	USD
<input type="checkbox"/> 219	92388411	18.12.2018	ZD	0000895090	401000		204.315,65-	USD
<input type="checkbox"/> 219	92388996	19.12.2018	ZD	0000895116	401000		114.534,80-	USD
<input type="checkbox"/> 219	92388997	19.12.2018	ZD	0000895133	401000		158.663,68-	USD
<input type="checkbox"/> 219	92388998	19.12.2018	ZD	0000895134	401000		158.730,56-	USD
<input type="checkbox"/> 219	92388999	19.12.2018	ZD	0000895135	401000		159.004,16-	USD
<input type="checkbox"/> 219	92389000	19.12.2018	ZD	0000895136	401000		159.101,44-	USD
<input type="checkbox"/> 219	92389848	20.12.2018	ZD	0000890572	401000		23.088,55-	USD
<input type="checkbox"/> 219	92389849	20.12.2018	ZD	0000890573	401000		23.987,85-	USD
<input type="checkbox"/> 219	92389850	20.12.2018	ZD	0000890569	401000		51.289,77-	USD
<input type="checkbox"/> 219	92389851	20.12.2018	ZD	0000890570	401000		54.446,98-	USD
<input type="checkbox"/> 219	92389852	20.12.2018	ZD	0000890571	401000		67.875,76-	USD
<input type="checkbox"/> 219	92389853	20.12.2018	ZD	0000895099	401000		280.126,05-	USD
<input type="checkbox"/> 219	92389854	20.12.2018	ZD	0000895123	401000		108.929,60-	USD
<input type="checkbox"/> 219	92389855	20.12.2018	ZD	0000895124	401000		108.856,80-	USD
<input type="checkbox"/> 219	92389856	20.12.2018	ZD	0000895126	401000		104.641,84-	USD
<input type="checkbox"/> 219	92389857	20.12.2018	ZD	0000895125	401000		108.846,40-	USD
<input checked="" type="checkbox"/> *							4.278.532,91-	USD

<sup>1</sup>The SAP screenshot does not include all entries for December 2018 – Excerpt version shown.

## Exhibit 3A: Intercompany transfers between Rhodes Pharma and Purdue for contract manufacturing organization services

The transactions flow/intercompany charges related to the CMO services in 2018 were accounted for as follows on Purdue Pharmaceuticals L.P.'s books (SAP company code 219). These transactions were not settled with individual cash payments, but were settled as a decrease of Purdue Pharmaceuticals L.P.'s partnership equity (i.e., a partnership distribution) at year-end on a net basis.<sup>1</sup>

Account Number	Account Description	DR	CR
<b>1. Invoice issued:</b>			
101015	AR Intercompany (SD and Manual Billings)	\$ 108,846	
401000	Gross Sales before off-invoice discounts		\$ (108,846)
<b>2. Reclassification at the end of every month: From AR account to Rhodes account</b>			
102250	Rhodes Pharmaceuticals LP	\$ 108,846	
101015	AR Intercompany (SD and Manual Billings)		\$ (108,846)
<b>3. Intercompany reclassification at the end of every month: From Rhodes account to PPLP account</b>			
102208	Purdue Pharma L.P.	\$ 108,846	
102250	Rhodes Pharmaceuticals LP		\$ (108,846)
<b>4. Intercompany investment reclassification at the end of each year: From PPLP account to Partnership distributions account</b>			
302021	Capital #21 Distribution Purdue Pharma LP	\$ 108,846	
102208	Purdue Pharma L.P.		\$ (108,846)
<b>5. Account close-out at year end: From Partnership distribution account to PPLP equity</b>			
300021	Capital #21 Purdue Pharma LP	\$ 108,846	
302021	Capital #21 Distribution Purdue Pharma LP		\$ (108,846)

<sup>1</sup>Monthly and annual non-cash transactions are performed in aggregate; amounts reflected in the chart for transactions 2-5 are presented only for demonstrative purposes.

## Exhibit 3A: Intercompany transfers between Rhodes Pharma and Purdue for contract manufacturing organization services

These entries appear in SAP as follows:


### 1. Invoice issued

Doc.Type : ZD ( Customer invoice ) Normal document					
Doc. Number	92389857	Company Code	219	Fiscal Year	2018
Doc. Date	20.12.2018	Posting Date	20.12.2018	Period	12
Calculate Tax	<input type="checkbox"/>				
Ref.Doc.	0000895125				
Doc. Currency	USD				

Itm	Account	Account short text	Amount	Text
1	136979	RHODES PHARMACEUTICA	108.846,40	
2	401000	Gross Sales	108.846,40-	

Customer	136979	RHODES PHARMACEUTICALS L P	G/L Acc	101015
CoCode	219	201 TRESSER BLVD		
Purdue Pharmaceuticals LP	STAMFORD	Doc. No.	92389857	
Line Item 1 / Invoice / 01				
Amount	108.846,40	USD		
Tax code	<input type="checkbox"/>			

Long Text	CoCd	G/L Acct
AR Intercompany (SD and Manual Billings)	219	101015



PURDUE PHARMACEUTICAL PRODUCTS L.P. (313)  
 PURDUE PHARMA L.P. (209)  
 PURDUE TRANSDERMAL TECH (241)  
 PURDUE PRODUCTS L.P. (307)

ONE STAMFORD FORUM • STAMFORD, CT 06901-3451  
 PHONE 800-877-5869 / FAX 800-877-3270

REMIT TO: PURDUE  
 P.O. BOX 110668  
 DALLAS, TX 75281-0668

**INVOICE**  
 Page 1 of 1  
 Invoice No. 92389857  
 Invoice Date 12/20/2018  
 Delivery Note No. 81004899  
 Order No. 895125

BILL TO: RHODES PHARMACEUTICALS L.P.  
 ATTEN: ACCOUNTS PAYABLE (V#1030474-250)  
 201 TRESSER BLVD  
 STAMFORD CT 06901

SHIP TO: PURDUE PHARMACEUTICALS LP  
 4701 PURDUE DR  
 WILSON NC 27693

ACCOUNT NO. 136979  
 ACCOUNT NO. 136456

CUSTOMER PO NUMBER	VENDOR NUMBER	CLASS OF TRADE	TERRITORY NUMBER	SHIP DATE	AS OF DATE	PAYMENT TERMS
4510004033		52	0001000000	12/20/2018	12/20/2018	Net 60 Days
AR NUMBER	CREDIT ANALYST	DEA NUMBER	VIA CARRIER	INVOICE MESSAGE		
136979	Tony DiCesca	RFC94137	BAXAIR			
CO NO	NDC NUMBER	PURDUE ITEM NO	DESCRIPTION	QUANTITY ORDERED	QUANTITY SHIPPED	CASES SHIPPED
219	42865-103-01	ORA375	ORAYCODONE/APAP 7.5MG/325MG TABLETS 100s	20,002 EA	20,002 EA	0
						5.20
						108,846.40
				<b>INVOICE TOTAL</b> <b>\$ 108,846.40</b>		
				<b>IN ANY CURRENCY PERMITTED</b>		
<b>TOTAL WEIGHT/CASES</b> 3,159.800 LB				<b>SHIPPING TERMS ARE FOB DESTINATION. ALL CLAIMS MUST BE FILED WITH CARRIER</b> TERMS: 60 DAYS FROM DATE OF INVOICE TO RECEIPT IN LOCK BOX. PAYMENT DUE BY: 02/18/2019		
				<b>INVOICE TOTAL</b> \$ 108,846.40		
SUBJECT TO SELLER'S CONDITIONS ON REVERSE SIDE - NO RECHARGING USING PURDUE NATIONAL DRUG CODES (INDO). IN ANY FORM IS PERMITTED. LATE PAYMENTS ARE SUBJECT TO A CHARGE OF 1.5% PER MONTH PLUS ALL COLLECTION COSTS, INCLUDING ATTORNEY'S FEES.						



## Exhibit 3A: Intercompany transfers between Rhodes Pharma and Purdue for contract manufacturing organization services

These entries appear in SAP as follows:

### 2. Reclassification at the end of every month

Doc.Type : AB ( Accounting document ) Normal document					
Doc. Number	100054013	Company Code	219	Fiscal Year	2018
Doc. Date	31.12.2018	Posting Date	31.12.2018	Period	12
Calculate Tax	<input type="checkbox"/>				
Ref.Doc.	TO CLEAR ACCT	Overall No.	0100054013219 18		
Doc. Currency	USD				
Doc. Hdr Text	to clear acct 136979				

Item	Account	Account short text	Amount	Text
1	136979	RHODES PHARMACEUTICA	4.278.532,91-	
2	102250	Rhodes Pharm LP	4.278.532,91	

All invoice amounts/account payables in December 2018 for 101015 (AR Intercompany)  
– Excerpt version shown

G/L Account		101015	AR Intercompany (SD and Manual Billings)		
Company Code		219			

CoCd	DocumentNo	Posting Date	Type	Reference	Account	Text	Amount in local cur.	LCurr	Order
<input type="checkbox"/>	219	92386109	14.12.2018	ZD	0000895100	101015	357.339,84	USD	
<input type="checkbox"/>	219	92386110	14.12.2018	ZD	0000895121	101015	109.132,40	USD	
<input type="checkbox"/>	219	92388410	18.12.2018	ZD	0000895089	101015	198.128,70	USD	
<input type="checkbox"/>	219	92388411	18.12.2018	ZD	0000895090	101015	204.315,65	USD	
<input type="checkbox"/>	219	92388996	19.12.2018	ZD	0000895116	101015	114.534,80	USD	
<input type="checkbox"/>	219	92388997	19.12.2018	ZD	0000895133	101015	158.663,68	USD	
<input type="checkbox"/>	219	92388998	19.12.2018	ZD	0000895134	101015	158.730,56	USD	
<input type="checkbox"/>	219	92388999	19.12.2018	ZD	0000895135	101015	159.004,16	USD	
<input type="checkbox"/>	219	92389000	19.12.2018	ZD	0000895136	101015	159.101,44	USD	
<input type="checkbox"/>	219	92389848	20.12.2018	ZD	0000890572	101015	23.088,55	USD	
<input type="checkbox"/>	219	92389849	20.12.2018	ZD	0000890573	101015	23.987,85	USD	
<input type="checkbox"/>	219	92389850	20.12.2018	ZD	0000890569	101015	51.289,77	USD	
<input type="checkbox"/>	219	92389851	20.12.2018	ZD	0000890570	101015	54.446,98	USD	
<input type="checkbox"/>	219	92389852	20.12.2018	ZD	0000890571	101015	67.875,76	USD	
<input type="checkbox"/>	219	92389853	20.12.2018	ZD	0000895099	101015	280.126,05	USD	
<input type="checkbox"/>	219	92389854	20.12.2018	ZD	0000895123	101015	108.929,60	USD	
<input type="checkbox"/>	219	92389855	20.12.2018	ZD	0000895124	101015	108.856,80	USD	
<input type="checkbox"/>	219	92389856	20.12.2018	ZD	0000895126	101015	104.641,84	USD	
<input type="checkbox"/>	219	92389857	20.12.2018	ZD	0000895125	101015	108.846,40	USD	
<input type="checkbox"/>	219	100054013	31.12.2018	AB	TO CLEAR ACCT	101015	4.278.532,91-	USD	
<input type="checkbox"/>							0,00	USD	

## Exhibit 3A: Intercompany transfers between Rhodes Pharma and Purdue for contract manufacturing organization services

These entries appear in SAP as follows:

### 3. Intercompany reclassification at the end of every month

Doc.Type : SA ( G/L account document ) Normal document					
Doc. Number	100054322	Company Code	219	Fiscal Year	2018
Doc. Date	14.02.2019	Posting Date	31.12.2018	Period	12
Calculate Tax	<input type="checkbox"/>				
Ref.Doc.	JA 1218 50	Overall No.	0100178534208 18		
Doc. Currency	USD				
Doc. Hdr Text	Dec Interco				

Itm	PK	Account	Account short text	Amount	Text
7	50	102250	Rhodes Pharm LP	4.810.911,69-	Dec 2018 Intercompany Elimination
8	40	102208	Purdue Pharma L.P.	4.810.911,69	Dec 2018 Intercompany Elimination

All transactions incurred in December 2018 for 102250 (Rhodes Pharmaceuticals LP)

	Amount
<b>CMO services - December 2018</b>	<b>\$ 4,278,532.91</b>
CMO services - September 2018 (Reclassified through 200012 - Accounts Payable Intercompany)	4,942,119.20
<b>Total of amounts accrued under G/L account 102250 from other workstream</b>	<b>-4,409,740.42</b>
Intercompany adjustment	-4,304,920.14
Other charges	-232,544.73
Reclassification related to deferral expenses	16,027.33
Reconciliation Posting CO	111,697.12
<b>Total before intercompany reclassification</b>	<b>4,810,911.69</b>
<b>Dec 2018 Intercompany reclassification</b>	<b>-4,810,911.69</b>
<b>Balance</b>	<b>0.00</b>



## Exhibit 3A: Intercompany transfers between Rhodes Pharma and Purdue for contract manufacturing organization services

These entries appear in SAP as follows:

### 4. Intercompany investment reclassification at the end of each year

Doc.Type : SA ( G/L account document ) Normal document					
Doc. Number	100054323	Company Code	219	Fiscal Year	2018
Doc. Date	14.02.2019	Posting Date	31.12.2018	Period	12
Calculate Tax	<input type="checkbox"/>				
Ref.Doc.	JA 1218 51	Overall No.	0100178535208 18		
Doc. Currency	USD				
Doc. Hdr Text	Dec Interco				

Itm	FK	Account	Account short text	Amount	Text
1	50	102208	Purdue Pharma L.P.	1.042.802,04-	Dec 2018 Interco Investment Reclass
2	40	302021	Cap #21 Distrib PPLP	1.042.802,04	Dec 2018 Interco Investment Reclass

Doc.Type : SA ( G/L account document ) Normal document					
Doc. Number	100054324	Company Code	219	Fiscal Year	2018
Doc. Date	14.02.2019	Posting Date	31.12.2018	Period	12
Calculate Tax	<input type="checkbox"/>				
Ref.Doc.	JA 1218 52	Overall No.	0100178536208 18		
Doc. Currency	USD				
Doc. Hdr Text	Dec Interco				

Itm	FK	Account	Account short text	Amount	Text
1	50	102208	Purdue Pharma L.P.	1.420.624,93-	Dec 2018 Interco Investment Reclass
2	40	302021	Cap #21 Distrib PPLP	1.420.624,93	Dec 2018 Interco Investment Reclass

### All transactions incurred in December 2018 for 102208 (PPLP)

	Amount
<b>Dec 2018 Intercompany Elimination - CMO services</b>	<b>\$ 4,810,911.69</b>
<b>Total of amounts accrued under G/L account 102208 from other workstream</b>	<b>-2,347,484.72</b>
Pension, post retirement, medical, insurance related accrual, expense, charges	-3,903,086.23
Vendor payments (including assumedly recognized vendor payments based on document number)	-2,854,525.19
Intercompany reclassification from other entities (e.g. Purdue Pharma Manufacturing L.P., Rhodes Technologies, TXP Services)	-2,680,069.15
Tax services	-1,231,494.57
Reconciliation Posting CO	-781,482.68
Other (Unknown from the text in SAP and each transactoin with less than \$1million)	-417,317.64
Sweep Entry	334,168.71
Variance	2,207,000.00
Reclassification related to reserve change, allowance	2,674,401.89
Intercompany adjustment	4,304,920.14
<b>Total before intercompany investment reclassification</b>	<b>2,463,426.97</b>
<b>Dec 2018 intercompany investment reclassification</b>	<b>-2,463,426.97</b>
<b>Balance</b>	<b>0.00</b>

$$\begin{aligned} & \$1,042,802.04 + \$1,420,624.93 \\ & = \$2,463,426.97 \end{aligned}$$

## Exhibit 3A: Intercompany transfers between Rhodes Pharma and Purdue for contract manufacturing organization services

These entries appear in SAP as follows:

### 5. Account close-out at year end

Doc.Type : SA ( G/L account document ) Normal document					
Doc. Number	100054772	Company Code	219	Fiscal Year	2018
Doc. Date	24.04.2019	Posting Date	31.12.2018	Period	12
Calculate Tax	<input type="checkbox"/>				
Ref.Doc.	JA 1218 120	Overall No.	0100179397208 18		
Doc. Currency	USD				
Doc. Hdr Text	Close out dist				

Itm	PK	Account	Account short text	Amount	Text
3	40	300021	Capital #21PPLP	22.217.107,81	Close out 2018 contributions / distributions
4	50	302021	Cap #21 Distrib PPLP	22.217.107,81-	Close out 2018 contributions / distributions

All transactions incurred in 2018 for 302021 (Capital #21 Distribution Purdue Pharma L.P.)

	Amount
<b>December 2018 Intercompany Investment Reclassifications including CMO services</b>	<b>\$ 2,463,426.97</b>
Intercompany Investment Reclassifications from January, 2018 to November, 2018 including CMO services	6,198,642.71
PPLP and Wilson intercompany reclassification	13,555,038.13
<b>Total before close-out</b>	<b>22,217,107.81</b>
<b>Close-out</b>	<b>-22,217,107.81</b>
<b>Balance</b>	<b>0.00</b>

## **Exhibit 3B: Intercompany transfers between Rhodes and Purdue for allocated shared services functions**

Purdue provides Rhodes Pharma and Rhodes Tech with certain services (collectively, "Rhodes Shared Services") including:

1. G&A Shared Services (finance, IT, human resources/benefits administration, legal, security, corporate quality, compliance, procurement and customer service);
2. Tech Transfer Services related to Rhodes Pharma products (i.e., costs of qualifying North Carolina manufacturing sites to produce Rhodes Pharma products and other functions in North Carolina);
3. Tech Ops Shared Services that relate to Rhodes Pharma product support (e.g. packaging design and development, tech ops IT, quality control, supply chain management, administrative services, stability and outside services);
4. Distribution services for Rhodes Pharma products; and
5. Drug Safety and R&D services (i.e., management of product complaints and adverse events related to Rhodes Pharma products).

Based on discussions with Purdue and Rhodes, there is no formal agreement between Purdue and Rhodes related to Rhodes Shared Services. Rhodes Shared Services do not include costs and expenses paid by Purdue that were charged to and reimbursed by Rhodes based on Purdue's actual costs ("Rhodes Pass-Through Expenses"). Rhodes Pass-Through Expenses include charges such as pension funding, payroll-related expenses, employee meals and expenses, and other expenses.

## Exhibit 3B: Intercompany transfers between Rhodes and Purdue for allocated shared services functions

From January 1, 2008 to September 15, 2019, Purdue charged Rhodes \$56.6 million for Rhodes Shared Services.<sup>1</sup>

Year	Rhodes Shared Services		
	Rhodes Tech <sup>2</sup>	Rhodes Pharma	Total
2008	\$ -	\$ 614,157	\$ 614,157
2009	1,018,502	1,598,670	2,617,172
2010	1,388,732	632,906	2,021,638
2011	1,388,732	1,790,887	3,179,619
2012	1,267,979	2,019,320	3,287,299
2013	1,570,455	1,939,791	3,510,246
2014	1,565,880	2,065,819	3,631,699
2015	1,963,237	3,849,149	5,812,386
2016	1,963,237	5,910,647	7,873,883
2017	1,962,683	7,073,350	9,036,033
2018	1,697,897	7,231,109	8,929,007
2019	1,066,946	5,027,899	6,094,845
<b>Total</b>	<b>\$ 16,854,279</b>	<b>\$ 39,753,703</b>	<b>\$ 56,607,982</b>

<sup>1</sup>An additional \$1.2 million in Tech Transfer Services was also charged to P.F. Labs (SAP company code 109), an IAC.

<sup>2</sup>The total for Rhodes Tech includes \$260,000 in charges to SVC Pharma LP (SAP company code 507), an indirect subsidiary of Rhodes Tech.

## Exhibit 3B: Intercompany transfers between Rhodes and Purdue for allocated shared services functions

Rhodes tracked all activity (including Rhodes Shared Services and Pass-Through Expenses) in the intercompany accounts<sup>1</sup> via intercompany settlement files for Rhodes Tech and Rhodes Pharma (SAP company codes 227 and 250, respectively) prepared on a monthly basis beginning in 2009 (as Rhodes was a subsidiary of Purdue until January 2008). Excerpts from the intercompany settlement Excel file for Rhodes Tech from December 2018 are shown below as an example. The table on the left shows the SAP detail, and corresponds to the summary table on the right. The amount charged to Rhodes Tech for Rhodes Shared Services is highlighted, and the payment made in December 2018 for the November 2018 balance of \$608,368 is shown in the bottom row.

Company	Document Num	Posting Date	Document Da	Posting Period	Year/month	Document Type	Cost Center	Reference	Account	Profit	Text	Amount in local currency	Local
227	100061358	12/31/2018	1/18/2019	12	2018/12	Annual Pension Funding		JA 1218 1	102208	GEN		-1,400,065.00 USD	
227	100061350	12/31/2018	1/17/2019	12	2018/12	Comdata Payments		LMT 1218	102208	GEN		-431,312.27 USD	
227	900013742	12/14/2018	12/14/2018	12	2018/12	Payroll Related		JBS12141	102208	GEN		-165,707.30 USD	
227	100061291	12/31/2018	1/2/2019	12	2018/12	Shared Services		EL 010219	102208	GEN		-126,460.20 USD	
227	100061359	12/31/2018	1/18/2019	12	2018/12	Payroll Related		JA 1218 1	102208	GEN	True up 20	-99,951.68 USD	
227	900013772	12/28/2018	12/28/2018	12	2018/12	Payroll Related		JBS12281	102208	GEN		-98,007.45 USD	
227	100061290	12/31/2018	1/2/2019	12	2018/12	Insurance		EL 010219	102208	GEN		-22,058.38 USD	
227	100061299	12/31/2018	1/3/2019	12	2018/12	Payroll Related		EL 010319	102208	GEN	12/2018 Ci	-18,902.72 USD	
227	700000330	12/6/2018	12/1/2018	12	2018/12	Fleet Expense		121218	102208	GEN		-15,601.49 USD	
227	9000102346	12/19/2018	11/1/2018	12	2018/12	Payroll Related		110118A	102208	GEN		-12,189.26 USD	
227	100061313	12/31/2018	12/31/2018	12	2018/12	Payroll Related			102208	GEN	Reconciliai	-12,136.00 USD	
227	100061260	12/31/2018	12/31/2018	12	2018/12	Travel, M&E Expense		EXPENSIT	102208	GEN		-12,059.76 USD	
227	100061175	12/21/2018	12/21/2018	12	2018/12	Telephone Expense		AD 1218	102208	GEN		-11,608.30 USD	
227	100061299	12/31/2018	1/3/2019	12	2018/12	Payroll Related		EL 010319	102208	GEN	12/2018 Ci	-11,258.93 USD	
227	100061261	12/31/2018	12/31/2018	12	2018/12	Payroll Related		MB1218	102208	GEN		-10,280.00 USD	
227	900013777	12/28/2018	12/28/2018	12	2018/12	Payroll Related		CABRALD	102208	GEN		-4,643.77 USD	
227	900013757	12/14/2018	12/14/2018	12	2018/12	Payroll Related		CABRALD	102208	GEN		-4,642.48 USD	
227	100061299	12/31/2018	1/3/2019	12	2018/12	Payroll Related		EL 010319	102208	GEN	12/2018 Ci	-3,289.12 USD	
227	100061288	12/31/2018	12/31/2018	12	2018/12	Telephone Expense		EXPENSIT	102208	GEN		-2,062.02 USD	
227	900013771	12/28/2018	12/28/2018	12	2018/12	Payroll Related		BECKS12	102208	GEN		-1,979.25 USD	
227	900013743	12/14/2018	12/14/2018	12	2018/12	Payroll Related		BECKS12	102208	GEN		-1,978.43 USD	
227	100061289	12/31/2018	12/31/2018	12	2018/12	Office Expense		EXPENSIT	102208	GEN		-1,544.58 USD	
227	100061170	12/13/2018	12/13/2018	12	2018/12	Office Expense			102208	GEN		-1,424.55 USD	
227	100061308	12/31/2018	12/31/2018	12	2018/12	Payroll Related		LT 1218	102208	GEN	To rec adj	-1,371.00 USD	
227	9000102318	12/18/2018	12/10/2018	12	2018/12	Payroll Related		C0045780	102208	GEN		-1,251.42 USD	
227	100061308	12/31/2018	12/31/2018	12	2018/12	Payroll Related		LT 1218	102208	GEN	To rec adj	-650.00 USD	
227	100061310	12/31/2018	1/4/2019	12	2018/12	Payroll Related		LT 1218	102208	GEN	AUTO LIAI	-503.18 USD	
227	100061308	12/31/2018	12/31/2018	12	2018/12	Payroll Related		LT 1218	102208	GEN	To rec adj	-180.85 USD	
227	100061172	12/18/2018	12/18/2018	12	2018/12	Office Expense			102208	GEN		-98.97 USD	
227	100061317	12/31/2018	1/8/2019	12	2018/12	Office Expense		NH 0119	102208	GEN		-0.01 USD	
227	100061321	12/31/2018	1/11/2019	12	2018/12	Payroll Related		JA 1218 0	102208	GEN		4,844.85 USD	
												-2,468,373.52 USD	
227	100061183	12/20/2018	12/21/2018	12	2018/12	SA		CWS	102208	GEN		608,368.19 USD	

Rhodes Technologies - Company 227	
Intercompany Settlement - Dec 2018	
Account 102208	
<b>Summary:</b>	
Annual Pension Funding	(1,400,065.00)
Payroll Related	(444,077.99)
Shared Services	(126,460.20)
Comdata Payments	(431,312.27)
Telephone Expense	(13,670.32)
Travel, M&E Expense	(12,059.76)
Office Expense	(3,068.11)
Fleet Expense	(15,601.49)
Subscription Services	-
Insurance	(22,058.38)
TTC Freight	-
SAP Maintenance	-
Interest	-
Jan Adjustment	-
Sales	-
	<b>(2,468,373.52)</b>

<sup>1</sup>Although the intercompany settlement files primarily analyzed account 102208 (PPLP), activity in the following accounts was also considered: 102213 (Mundipharma LLC), 102219 (Purdue Pharmaceuticals LP), 102225 (Purdue Neuroscience Company), 102240 (Purdue Pharma Products LP), 102241 (Purdue Transdermal Technologies LP), 102256 (Imbrium Therapeutics LP), 102307 (Avrio Health LP), 102313 (Purdue Pharmaceutical Products LP), 102318 (Purdue Pharma Manufacturing LP), and 102418 (PharmIT LP).

## Exhibit 3B: Intercompany transfers between Rhodes and Purdue for allocated shared services functions

The intercompany settlement worksheets can be tied back to SAP with some minor reconciling items. For example, the December 2018 activity across 102208 (Intercompany account – PPLP) and 102219 (Purdue Pharmaceuticals LP) for Rhodes Tech (SAP company 227) in SAP of \$908,259 matches the total activity of \$2,468,374 in the December 2018 intercompany settlement worksheet, but for three reconciling items: the payment for the November balance (\$608,369), a late entry booked in February 2019 related to severance (\$18,943), and a reclassification of amounts due from Purdue Pharmaceuticals L.P. from account 102219 to account 101015 (Intercompany Accounts Receivable) (\$932,803).<sup>1</sup>

G/L Account Line Item Display													
G/L Account: 227													
Company Code: 227													
Selections Dispute Case													
St	DocumentNo	Type	Doc. Date	Period	Fatng Date	Account	CoCd	Amount in local cur.	Profit Ctr	Cost Ctr	Reference	Text	Assignment
	4900102346	RE	11/01/2018	12	12/19/2018	102208	227	12,189.26	GEN		110118A		20181101
	1700000330	RG	12/01/2018	12	12/06/2018	102208	227	15,601.49	GEN		121218		20181201
	4900102318	RE	12/10/2018	12	12/15/2018	102208	227	1,251.42	GEN		C0045780795		20181210
	100061170	AB	12/13/2018	12	12/13/2018	102208	227	1,424.55	GEN				20181213
	1900013742	KR	12/14/2018	12	12/14/2018	102208	227	165,707.30	GEN		JBS121418		20181214
	1900013743	KR	12/14/2018	12	12/14/2018	102208	227	1,978.43	GEN		BECKS121418		20181214
	1900013757	KR	12/14/2018	12	12/14/2018	102208	227	4,642.46	GEN		CASRALD121418		20181214
	100061172	AB	12/18/2018	12	12/18/2018	102208	227	98.97	GEN				20181218
	100061175	SA	12/21/2018	12	12/21/2018	102208	227	11,608.30	GEN		AD 1218 05		20181221
	100061183	SA	12/21/2018	12	12/20/2018	102208	227	608,368.19	GEN		CWS		20181221
	1900013771	KR	12/28/2018	12	12/28/2018	102208	227	1,979.25	GEN		BECKS122818		20181228
	1900013772	KR	12/28/2018	12	12/28/2018	102208	227	96,007.45	GEN		JBS122818		20181228
	1900013777	KR	12/28/2018	12	12/28/2018	102208	227	4,643.77	GEN		CASRALD122818		20181228
	100061288	SA	12/31/2018	12	12/31/2018	102208	227	2,062.02	GEN		EXPENSITE EXP		20181231
	100061260	SA	12/31/2018	12	12/31/2018	102208	227	12,059.76	GEN		EXPENSITE EXP		20181231
	100061261	SA	12/31/2018	12	12/31/2018	102208	227	10,280.00	GEN		MB1218_PPD CHRG		20181231
	100061289	SA	12/31/2018	12	12/31/2018	102208	227	1,544.58	GEN		EXPENSITE EXP		20181231
	100061308	SA	12/31/2018	12	12/31/2018	102208	227	1,371.00	GEN		LI 1218	To rec adj for Retirement Admin Fee - December	20181231
	100061308	SA	12/31/2018	12	12/31/2018	102208	227	180.85	GEN		LI 1218	To rec adj for Anthem BI C & BI Sh- December	20181231
	100061308	SA	12/31/2018	12	12/31/2018	102208	227	650.00	GEN		LI 1218	To rec adj for Insurance Premiums - December	20181231
	100061313	RC	12/31/2018	12	12/31/2018	102208	227	12,136.00	GEN			Reconciliation Posting CO	20181231
	100061295	AB	12/31/2018	12	12/31/2018	102219	227	932,803.20	GEN		TO CLEAR ACCT		20181231
	100061290	SA	01/02/2019	12	12/31/2018	102208	227	22,058.38	GEN		EL 010219 1		20190102
	100061291	SA	01/02/2019	12	12/31/2018	102208	227	126,460.20	GEN		EL 010219 3		20190102
	100061299	SA	01/03/2019	12	12/31/2018	102208	227	11,258.93	GEN		EL 010319 4	12/2018 Cigna Medical Charges	20190103
	100061299	SA	01/03/2019	12	12/31/2018	102208	227	18,902.72	GEN		EL 010319 4	12/2018 Cigna Dental Charges	20190103
	100061299	SA	01/03/2019	12	12/31/2018	102208	227	3,289.12	GEN		EL 010319 4	12/2018 Cigna Drug Charges	20190103
	100061310	SA	01/04/2019	12	12/31/2018	102208	227	503.18	GEN		LI 1218	AUTO LIABILITY	20190104
	100061317	ZH	01/08/2019	12	12/31/2018	102208	227	0.01	GEN		NH 0119 16		20190108
	100061321	SA	01/11/2019	12	12/31/2018	102208	227	4,844.85	GEN		JA 1218 06		20190111
	100061350	SA	01/17/2019	12	12/31/2018	102208	227	431,312.27	GEN		LMT 1218		20190117
	100061358	SA	01/18/2019	12	12/31/2018	102208	227	1,400,065.00	GEN		JA 1218 17		20190118
	100061359	SA	01/18/2019	12	12/31/2018	102208	227	99,951.68	GEN		JA 1218 18	True up 2018 Severance expense	20190118
	100061623	SA	02/11/2019	12	12/31/2018	102208	227	18,942.95	GEN		JA 1218 42	True up 2018 Severance Reserve	20190211
	100061626	SA	02/14/2019	12	12/31/2018	102208	227	932,803.20	GEN		JA 1218 50	Dec 2018 Intercompany Elimination	20190214
	100061626	SA	02/14/2019	12	12/31/2018	102219	227	932,803.20	GEN		JA 1218 50	Dec 2018 Intercompany Elimination	20190214
								908,259.18					

<sup>1</sup>(908,259.18) – 608,368.19 – 18,942.95 – 932,803.20 = (2,468,373.52)



## Exhibit 3B: Intercompany transfers between Rhodes and Purdue for allocated shared services functions

The balance on account 102208 for both Rhodes Tech and Rhodes Pharma is settled via monthly cash payments. The cumulative month-end balance of account 102208 typically coincided with the amount of Rhodes Shared Services and pass-through expenses, with limited exceptions up until 2017 (e.g. a legal charge of \$1.5 million for Rhodes Tech in 2015 also being paid to PPLP via a lump sum payment). There were also a few months in which the timing or amount of payments differed, but variances were rectified via subsequent payments and adjusting entries. The cash payment from January 2019 (for the account balance as of December 2018) is shown below.

Document Overview - Display

<

## Exhibit 3B: Intercompany transfers between Rhodes and Purdue for allocated shared services functions

Similar to Rhodes Tech, Rhodes Pharma tracked activity in the intercompany accounts (SAP company code 250) via intercompany settlement files, prepared on a monthly basis beginning in 2009 (as Rhodes was a subsidiary of Purdue until January 2009). The tables below show, as an example, the December 2018 file's SAP detail for account 102208 and 102219 with the amounts charged for Rhodes Shared Services highlighted, and on the bottom left the summary intercompany Receivable/Payable worksheet. The payments made in December 2018 for the November 2018 balance are shown separately towards the bottom of each SAP detail table.

Company Code	Document Type	Posting Date	Document Date	Amount in local currency	Document Number	Profit Center	Account	Order	Text
250	SA	12/31/2018	1/23/2019	232,544.73	100026678	GEN	102219		APAP Transfer
250	SA	12/31/2018	12/31/2018	(16,027.33)	100026349	GEN	102219		Hutlin Project Spend
250	RC	12/31/2018	12/31/2018	(111,697.12)	100026676	GEN	102219		Tech Transfer Work
				104,820.28					
MSER, Oxy IR & Oxy APAP invoices due (see detail)				(5,850,677.88)					
Price Concessions									
Total due in July				(5,745,857.60)					

Company Code	Document Type	Posting Date	Document Date	Amount in local currency	Document Number	Profit Center	Account	Order	Text
250	SA	12/31/2018	1/18/2019	(674,538.00)	100026607	GEN	102208		Post Retirement TU
250	SA	12/31/2018	12/31/2018	(458,997.51)	100026574	GEN	102208		Global Serialization charge
250	SA	12/31/2018	12/31/2018	(318,526.00)	100026654	GEN	102208		PPSWG Charge
250	SA	12/31/2018	12/31/2018	(239,632.50)	100026337	GEN	102208		Distribution charges
250	SA	12/31/2018	1/23/2019	(232,544.73)	100026678	GEN	102208		APAP Transfer
250	SA	12/31/2018	1/18/2019	(150,531.00)	100026606	GEN	102208		pension contribution allocation
250	SA	12/31/2018	1/15/2019	(150,494.22)	100026561	GEN	102208		Q4 Recharges
250	SA	12/31/2018	1/2/2019	(61,290.25)	100026352	GEN	102208		Shared Services
250	SA	12/31/2018	12/31/2018	(49,910.09)	100026655	GEN	102208		Louisville UPS Charges
250	RC	12/31/2018	12/31/2018	(49,215.00)	100026675	GEN	102208		Shared Services
250	KR	12/14/2018	12/14/2018	(44,457.80)	1900014070	GEN	102208		401(K)
250	KR	12/28/2018	12/28/2018	(40,819.67)	1900014110	GEN	102208		401(K)
250	SA	12/31/2018	12/31/2018	(36,900.09)	100026347	GEN	102208		T&E
250	SA	12/31/2018	1/17/2019	(27,506.80)	100026588	GEN	102208		Comdata Liability
250	SA	12/31/2018	12/31/2018	(21,442.51)	100026593	GEN	102208		TTC Freight Allocation
250	SA	12/31/2018	1/2/2019	(10,887.79)	100026350	GEN	102208		Cyber Risk Ins
250	SA	12/31/2018	1/18/2019	(9,617.00)	100026607	GEN	102208		Pension / Sererance TU
250	KG	12/6/2018	12/1/2018	(9,406.90)	1700000234	GEN	102208		Fleet Expense
250	SA	12/31/2018	1/3/2019	(7,664.34)	100026378	GEN	102208		Medical and Dental Charges
250	RE	12/19/2018	11/1/2019	(7,620.69)	4900106415	GEN	102208		LTDI
250	SA	12/31/2018	1/3/2019	(5,384.71)	100026378	GEN	102208		Medical and Dental Charges
250	SA	12/31/2018	1/11/2019	89,066.08	100026516	GEN	102208		LTRP Accrual TU
250	SA	12/31/2018	1/11/2019	119,428.98	100026505	GEN	102208		Bonus TU
250	SA	12/31/2018	1/15/2019	232,544.73	100026554	GEN	102208		APAP Transfer
250	SA	12/31/2018	1/14/2019	537,500.00	100026530	GEN	102208		MSR Grunenthal Q3 Royalty Recd
250	RC	12/31/2018	12/31/2018	(4,954.93)	100026431	GEN	102208		Reconciliation Posting CO
250	KR	12/28/2018	12/28/2018	(2,121.93)	1900014112	GEN	102208		
250	KR	12/14/2018	12/14/2018	(2,120.76)	1900014094	GEN	102208		
250	SA	12/31/2018	1/3/2019	(1,573.06)	100026378	GEN	102208		12/2018 Cigna Drug Charges
250	KR	12/14/2018	12/14/2018	(772.70)	1900014071	GEN	102208		
250	SA	12/31/2018	12/31/2018	(707.00)	100026401	GEN	102208		To rec adj for Insurance Premiums - December
250	KR	12/28/2018	12/28/2018	(672.62)	1900014109	GEN	102208		
250	RE	12/18/2018	12/10/2018	(643.14)	4900106218	GEN	102208		
250	SA	12/31/2018	1/4/2019	(547.33)	100026406	GEN	102208		AUTO LIABILITY
250	AB	12/13/2018	12/13/2018	(369.62)	100026167	GEN	102208		
250	SA	12/31/2018	12/31/2018	(170.00)	100026401	GEN	102208		To rec adj for Retirement Admin Fee - December
250	AB	12/18/2018	12/18/2018	(138.72)	100026210	GEN	102208		
				(1,647,259.66)					
Prior Month Settlement									
Company Code	Document Type	Posting Date	Document Date	Amount in local currency	Document Number	Profit Center	Account	Order	Text
250	SA	12/20/2018	12/21/2018	5,020,466.98	100026244	GEN	102208		

Company	Co. No.	Sales - Oxycodone	Freight	Tax Services	Security / EHS	Other (a) - December 18	Net Receivable / (Payable)
PF Labs	109					-	-
PPLP	208					(1,647,259.66)	(1,647,259.66)
Mundipharma	213					-	-
Wilson	219					(5,745,857.60)	(5,745,857.60)
Rhodes Tech	227					(275,411.14)	(275,411.14)
Coventry Technologies	230					-	-
Purdue Transdermal Tech	241					-	-
Rhodes Elimination	260					-	-
Rhodes Pharma Inc	251					-	-
Purdue Products LP	307					-	-
Purdue Pharma Products LP	313					-	-
One Stamford Realty	403					-	-
Purdue Pharma Tech	409					-	-
TXP Services	415					(63,946.98)	(63,946.98)
SVC Pharma, LP	507					(853,008.36)	(853,008.36)
						(8,585,483.74)	(8,585,483.74)
Total		-	-	-	-	-	-



## Exhibit 3B: Intercompany transfers between Rhodes and Purdue for allocated shared services functions

The January 2019 cash payments (for the 102208 and 102219 account balances as of December 2018) from Rhodes Pharma to PPLP are shown below.

**Document Overview - Display**

Doc.Type : SA ( G/L account document ) Normal document

Doc. Number	100026804	Company Code	250	Fiscal Year	2019
Doc. Date	01.02.2019	Posting Date	31.01.2019	Period	01
Calculate Tax	<input type="checkbox"/>				
Ref.Doc.	CWS	Overall No.	0100178331208 19		
Doc. Currency	USD				
Doc. Hdr Text	CTW208 01282019-01312019				

Itm	PK	Account	Account short text	Cost Ctr	Profit Ctr	Order	Tx	Amount	Text
1	50	100010	Cash Concentration		GEN			5.745.857,60-	CORP PAY
2	50	100010	Cash Concentration		GEN			1.647.259,66-	CORP PAY
3	40	102208	Purdue Pharma L.P.		GEN			7.393.117,26	

## Exhibit 3B: Intercompany transfers between Rhodes and Purdue for allocated shared services functions

Reconciling the intercompany settlement worksheets to the overall activity in the various intercompany accounts for both Rhodes Tech and Rhodes Pharma is possible; however, due to the myriad activity in the account, such a task would require significant additional time to complete. Nevertheless, it is possible to see that the balance of the accounts has been settled on a regular basis. This is illustrated in the table below, which shows the activity across the Purdue intercompany accounts on Rhodes Tech's books (SAP company code 227).

Rhodes Tech (SAP Company Code 227)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Totals
Beginning Cumulative Balance	\$ -	\$ 7,722,925	\$ 8,140,101	\$ (387,994)	\$ (627,027)	\$ (1,537,810)	\$ (996,091)	\$ (1,217,784)	\$ 1,832,833	\$ (2,671,306)	\$ (2,847,242)	\$ (1,516,627)	
Debits	106,741,071	94,599,305	77,971,689	60,628,162	61,861,286	62,847,867	66,819,799	49,299,885	58,028,857	64,977,772	86,555,755	91,583,135	881,914,582
Credits	(99,018,147)	(94,182,128)	(86,499,784)	(60,867,195)	(62,772,069)	(62,306,148)	(67,041,493)	(46,249,268)	(62,532,995)	(65,153,708)	(85,225,140)	(83,541,833)	(875,389,907)
Ending Cumulative Balance	7,722,925	8,140,101	(387,994)	(627,027)	(1,537,810)	(996,091)	(1,217,784)	1,832,833	(2,671,306)	(2,847,242)	(1,516,627)	6,524,675	
<b>Debits:</b>													
Rhodes Shared Services (Correcting Entries)	-	-	-	-	-	-	-	-	-	-	60,125	-	60,125
Cash Payments to Purdue	2,408,425	3,839,327	6,359,503	5,667,329	5,793,766	8,725,945	8,565,060	10,907,166	12,589,583	14,430,687	19,491,259	5,155,868	103,933,918
Sales of API to IACs <sup>1</sup>	-	28,835	-	-	-	-	-	-	-	409,511	-	-	438,346
Sales of API to Purdue <sup>2</sup>	64,195,144	90,001,412	70,564,728	54,140,369	54,369,829	52,971,362	52,215,588	33,726,418	42,913,190	44,207,975	44,477,716	-	603,783,731
Net to Zero <sup>3</sup>	-	-	823,691	579,415	5,270	-	-	-	238,493	5,571,539	21,394,780	31,412,499	
Other Debits <sup>4</sup>	40,137,503	729,730	223,767	241,049	1,692,421	1,150,560	6,039,151	4,666,301	2,287,591	358,060	1,131,875	55,014,768	113,672,777
<b>Total Debits</b>	106,741,071	94,599,305	77,971,689	60,628,162	61,861,286	62,847,867	66,819,799	49,299,885	58,028,857	64,977,772	86,555,755	91,583,135	881,914,582
<b>Credits:</b>													
Rhodes Shared Services	-	(1,013,908)	(1,261,347)	(1,261,347)	(1,267,979)	(1,570,455)	(1,565,880)	(1,963,237)	(1,963,237)	(1,962,683)	(1,758,022)	(1,066,946)	(16,655,041)
Cash Payments from Purdue	(59,133,476)	(75,807,498)	(80,734,128)	(53,888,349)	(54,568,251)	(52,534,103)	(34,336,847)	(30,121,219)	(47,099,412)	(45,525,896)	(50,459,542)	(32,250,299)	(616,459,021)
Credits on Sales of API to Purdue <sup>2</sup>	-	(12,381,251)	-	-	-	-	-	-	-	-	-	-	(12,381,251)
Net to Zero <sup>3</sup>	-	-	(823,691)	(579,415)	(5,270)	-	-	-	(238,493)	(5,571,539)	(21,394,780)	(31,412,499)	(60,025,686)
Other Credits <sup>4</sup>	(39,884,671)	(4,979,471)	(3,680,618)	(5,138,084)	(6,930,569)	(8,201,590)	(31,138,766)	(14,164,813)	(13,231,854)	(12,093,590)	(11,612,796)	(18,812,088)	(169,868,908)
<b>Total Credits</b>	(99,018,147)	(94,182,128)	(86,499,784)	(60,867,195)	(62,772,069)	(62,306,148)	(67,041,493)	(46,249,268)	(62,532,995)	(65,153,708)	(85,225,140)	(83,541,833)	(875,389,907)
<b>Net Payment to/(from) PPLP</b>	<b>\$ (56,725,051)</b>	<b>\$ (71,968,171)</b>	<b>\$ (74,374,625)</b>	<b>\$ (48,221,020)</b>	<b>\$ (48,774,485)</b>	<b>\$ (43,808,159)</b>	<b>\$ (25,771,787)</b>	<b>\$ (19,214,053)</b>	<b>\$ (34,509,829)</b>	<b>\$ (31,095,210)</b>	<b>\$ (30,968,283)</b>	<b>\$ (27,094,431)</b>	<b>\$ (512,525,103)</b>

Note: The table above was compiled based on SAP data from Rhodes Tech's books (SAP company code 227) for intercompany accounts 102208, 102213, 102219, 102225, 102240, 102241, 102256, 102307, 102313, 102318, and 102418. This table does not include data from SVC Pharma LP (Company Code 507), Rhodes Tech's indirect subsidiary.

## Exhibit 3B: Intercompany transfers between Rhodes and Purdue for allocated shared services functions

Similar to Rhodes Tech, it is possible to see that the balance of the accounts for Rhodes Pharma has been settled on a regular basis. The activity across the Purdue intercompany accounts on Rhodes Pharma's books (SAP company code 250) is illustrated below.

Rhodes Pharma (SAP Company Code 250)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Totals
Beginning Cumulative Balance	\$ 1,500,000	\$ (358,866)	\$ (191,990)	\$ (217,955)	\$ (1,780,179)	\$ (1,560,962)	\$ (6,278,675)	\$ (4,471,095)	\$ (6,896,287)	\$ (10,381,749)	\$ (25,582,093)	\$ (81,631,699)	
Debits	335,986	2,666,465	2,841,965	18,115,273	21,382,063	23,584,393	66,850,967	50,509,121	57,509,282	91,456,609	160,979,328	213,129,735	709,361,188
Credits	(2,194,852)	(2,499,589)	(2,867,930)	(19,677,497)	(21,162,845)	(28,302,106)	(65,043,388)	(52,934,312)	(60,994,745)	(106,656,954)	(217,028,934)	(186,561,518)	(765,924,670)
Ending Cumulative Balance	(358,866)	(191,990)	(217,955)	(1,780,179)	(1,560,962)	(6,278,675)	(4,471,095)	(6,896,287)	(10,381,749)	(25,582,093)	(81,631,699)	(55,063,482)	
<b>Debits:</b>													
Rhodes Shared Services (Correcting Entries)	-	-	4,759	-	-	-	-	-	-	-	21,125	-	25,884
Cash Payments to Purdue	-	1,996,556	2,635,989	17,250,175	19,939,074	20,518,337	26,155,042	38,797,282	44,914,811	51,560,934	61,617,967	115,361,525	400,747,692
CMO Services from Purdue (Offsets) <sup>1</sup>	-	-	-	-	-	2,432,980	2,951,282	2,917,194	4,560,685	1,615,819	-	8,167,908	22,645,868
MSER Profit Share (Offsets) <sup>2</sup>	-	-	-	54,511	-	-	-	-	-	-	-	-	54,511
Net to Zero <sup>3</sup>	-	-	-	-	23,616	-	-	-	-	24,968,794	28,131,280	43,225,760	
Other Debits <sup>4</sup>	335,986	669,909	201,216	810,586	1,419,373	633,077	37,744,643	8,794,645	8,033,787	13,311,063	71,208,957	46,374,542	189,537,783
<b>Total Debits</b>	335,986	2,666,465	2,841,965	18,115,273	21,382,063	23,584,393	66,850,967	50,509,121	57,509,282	91,456,609	160,979,328	213,129,735	709,361,188
<b>Credits:</b>													
Rhodes Shared Services	(614,157)	(1,591,971)	(637,665)	(1,790,887)	(2,019,320)	(1,939,791)	(2,065,819)	(3,849,149)	(5,910,647)	(7,073,350)	(7,252,234)	(5,027,899)	(39,772,888)
Cash Payments from Purdue	(1,501,000)	-	(6,661)	(5,596)	(184,804)	(20,268)	(470)	(192,442)	(1,181,467)	(2,232,802)	(4,491,145)	(7,747,067)	(17,563,723)
Charges for CMO Services from Purdue <sup>3</sup>	-	-	-	(14,096,069)	(16,949,090)	(22,917,246)	(28,777,764)	(36,921,450)	(43,559,234)	(42,857,822)	(51,697,750)	(48,747,106)	(306,523,532)
MSER Profit Share <sup>2</sup>	-	-	-	(1,283,352)	-	-	-	-	-	-	-	-	(1,283,352)
Butrans Profit Share to Purdue <sup>5</sup>	-	-	-	-	-	-	-	-	-	(15,568,950)	(45,764,451)	(15,672,407)	(77,005,807)
Net to Zero <sup>3</sup>	-	-	-	-	(23,616)	-	-	-	-	(24,968,794)	(28,131,280)	(43,225,760)	(96,349,449)
Other Credits <sup>4</sup>	(79,695)	(907,618)	(2,223,603)	(2,501,592)	(1,986,016)	(3,424,801)	(34,199,335)	(11,971,271)	(10,343,396)	(13,955,237)	(79,692,075)	(66,141,279)	(227,425,918)
<b>Total Credits</b>	(2,194,852)	(2,499,589)	(2,867,930)	(19,677,497)	(21,162,845)	(28,302,106)	(65,043,388)	(52,934,312)	(60,994,745)	(106,656,954)	(217,028,934)	(186,561,518)	(765,924,670)
<b>Net Payment to/(from) PPLP</b>	<b>\$ (1,501,000)</b>	<b>\$ 1,996,556</b>	<b>\$ 2,629,328</b>	<b>\$ 17,244,579</b>	<b>\$ 19,754,270</b>	<b>\$ 20,498,069</b>	<b>\$ 26,154,572</b>	<b>\$ 38,604,840</b>	<b>\$ 43,733,343</b>	<b>\$ 49,328,132</b>	<b>\$ 57,126,823</b>	<b>\$ 107,614,458</b>	<b>\$ 383,183,970</b>

Note: The table above was compiled based on SAP data from Rhodes Pharma's books (SAP company code 250) for intercompany accounts 102208, 102213, 102219, 102225, 102240, 102241, 102256, 102307, 102313, 102318, and 102418.

## **Exhibit 3C: Intercompany transfers between Rhodes Pharma and Purdue for licensing generic and branded Dilaudid**


In 2010, PPLP licensed the rights to sell an authorized generic version of Dilaudid to Rhodes Pharma. Per discussions with Purdue, Rhodes made no payments to PPLP for these rights, and no license agreement was prepared or signed. Additionally, no royalty payments related to Dilaudid were paid or owed to PPLP by Rhodes.

In 2016, PPLP and Rhodes Pharma entered into an assignment and assumption agreement, effective May 1, 2017, that transferred PPLP's rights in Dilaudid to Rhodes Pharma. The rights transferred under the assignment and assumption agreement included licenses to use the trademarks and patents associated with Dilaudid. (See Exhibit 4I for additional detail regarding this assignment and assumption agreement.)

## Exhibit 3D: Intercompany transfers between Rhodes Pharma and Purdue for all rights to morphine sulfate extended release generic

In 2011, PPLP transferred all rights to sell Morphine Sulfate Extended Release (“MSER”) Generic to Rhodes Pharma. Per discussions with Purdue, Rhodes made no payments to PPLP for these rights, and no written agreements were prepared or signed; however, PPLP and Rhodes entered into an arrangement in 2011 whereby Rhodes paid PPLP [REDACTED] of the profits on sales of MSER Generic for that year only.

Amounts due to PPLP under the profit sharing arrangement were booked to account 102208 (Intercompany account – PPLP) on Rhodes Pharma’s books (SAP company code 250), with credits totaling \$1.2 million. These amounts were paid as part of the monthly settlements between Rhodes Pharma and PPLP for the accumulated account balance of 102208.<sup>1</sup>

G/L Account Line Item Display														
														
G/L Account                      102208                      Purdue Pharma L.P. Company Code                      250														
CoCd	DocumentNo	Pstng Date	Doc. Date	Period	Year/month	Type	Cost Ctr	Reference	Account	Profit Ctr	Text	Amount in local cur.	LCurr	Order
<input type="checkbox"/> 250	100001972	31.03.2011	05.04.2011	3	2011/03	ZH		RP110313	102208	GEN	MSER Purdue PS Settlement - Mar Ytd	270.669,08-	USD	
<input type="checkbox"/> 250	100002436	30.06.2011	08.07.2011	6	2011/06	ZH		RP110613	102208	GEN	MSER Purdue PS Settlement - Apr thru June	239.714,34-	USD	
<input type="checkbox"/> 250	100002574	31.07.2011	02.08.2011	7	2011/07	ZH		RP110713	102208	GEN	MSER Purdue PS Settlement Adj	54.511,38	USD	
<input type="checkbox"/> 250	100002993	30.09.2011	05.10.2011	9	2011/09	ZH		RP110913	102208	GEN	MSER Purdue PS Settlement - Jul thru Sept	246.864,05-	USD	
<input type="checkbox"/> 250	100003574	31.12.2011	09.01.2012	12	2011/12	ZH		RP111213	102208	GEN	MSER Purdue PS Settlement - Oct thru Dec	526.104,87-	USD	
*												1.228.840,96-	USD	

<sup>1</sup>For additional information on how these monthly settlement payments between Rhodes Pharma and PPLP were paid and accounted for, refer to Exhibit 3B.

## Exhibit 3D: Intercompany transfers between Rhodes Pharma and Purdue for all rights to morphine sulfate extended release generic

Amounts credited to 102208 (Intercompany Account – PPLP) for the MSER profit share are offset by debits to accounts 200050 (Accrued Accounts Payable) and 505006 (Reclass of Purchase Price Variance or Goods Received/Invoice Received). The first of these entries in 2011 is shown below, with the SAP screen captures. Subsequent entries are not always consistent, as adjustments and reclasses between 505006 (a type of clearing account) and 200050 occur intermittently.

Account Number	Account Description	DR	CR
<b>1. Payable Booked</b>			
505006	Reclassification of PPV or GR/IR	\$ 111,069	
200050	Accrued Accounts Payable		\$ (111,069)
<b>2. Payable Reclassed to 102208 / New Payable Booked Directly to 102208</b>			
200050	Accrued Accounts Payable	\$ 111,069	
505006	Reclassification of PPV or GR/IR	159,600	
102208	Intercompany Account - PPLP		\$ (270,669)

**Document Overview - Display**

Doc.Type : ZH ( G/L acct doc Accrual ) Normal document

Doc. Number 100001812 Company Code 250 Fiscal Year 2011  
 Doc. Date 07.03.2011 Posting Date 28.02.2011 Period 02  
 Calculate Tax ☐  
 Ref.Doc. RP110217  
 Doc. Currency USD  
 Doc. Hdr Text MSER Profit Share Accrual

Item	PK	Account	Account short text	Cost Ctr	Profit Ctr	Order	Tx	Amount	Text
1	50	200050	AP Accrued		GEN			111.068,98	MSER PS Accrual - Jan & Feb
2	40	505006	Recl of PPV or GR/IR		MRP			111.068,98	MSER PS Accrual - Jan & Feb

**Document Overview - Display**

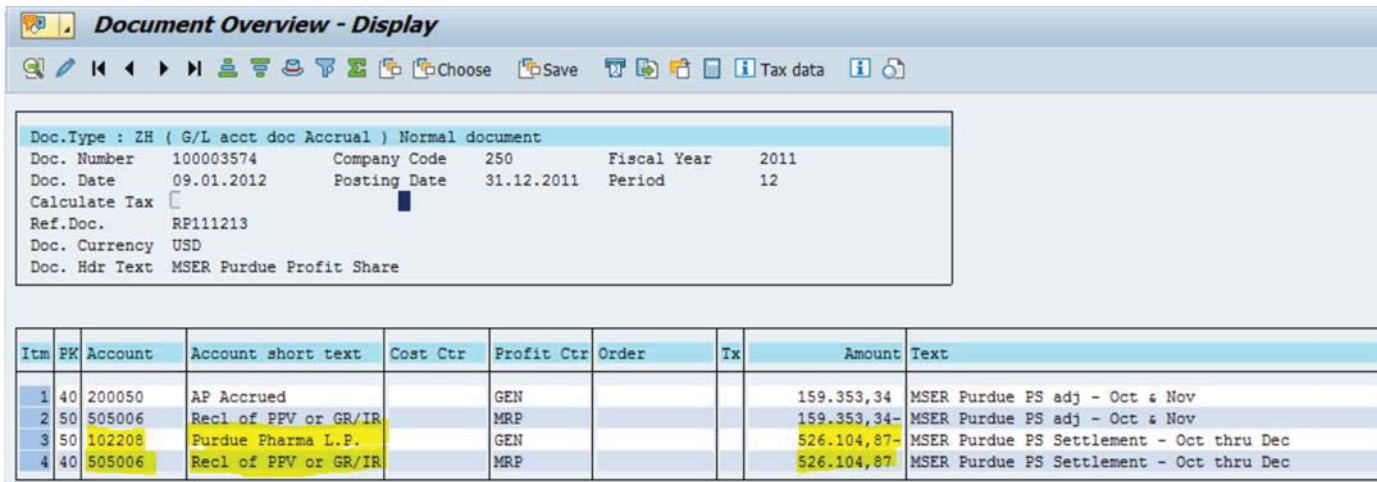
Doc.Type : ZH ( G/L acct doc Accrual ) Normal document

Doc. Number 100001972 Company Code 250 Fiscal Year 2011  
 Doc. Date 05.04.2011 Posting Date 31.03.2011 Period 03  
 Calculate Tax ☐  
 Ref.Doc. RP110313  
 Doc. Currency USD  
 Doc. Hdr Text MSER Purdue Profit Share

Item	PK	Account	Account short text	Cost Ctr	Profit Ctr	Order	Tx	Amount	Text
1	40	200050	AP Accrued		GEN			111.068,98	MSER Purdue PS Settlement - Mar Ytd
2	40	505006	Recl of PPV or GR/IR		MRP			159.600,10	MSER Purdue PS Settlement - Mar Ytd
3	50	102208	Purdue Pharma L.P.		GEN			270.669,08	MSER Purdue PS Settlement - Mar Ytd

## Exhibit 3D: Intercompany transfers between Rhodes Pharma and Purdue for all rights to morphine sulfate extended release generic

Subsequent entries were not always booked in the same manner, as adjustments and reclasses between 505006 (a type of clearing account) and 200050 occur intermittently. The last entry in 2011 is shown below, with the SAP screen capture. A reclass between 200050 and 505006 is also being recognized in this instance.

Document Overview - Display									
									
<b>Doc.Type :</b> ZH ( G/L acct doc Accrual ) Normal document <b>Doc. Number</b> 100003574 <b>Company Code</b> 250 <b>Fiscal Year</b> 2011 <b>Doc. Date</b> 09.01.2012 <b>Posting Date</b> 31.12.2011 <b>Period</b> 12 <b>Calculate Tax</b> <input type="checkbox"/> <b>Ref.Doc.</b> RP111213 <b>Doc. Currency</b> USD <b>Doc. Hdr Text</b> MSER Purdue Profit Share									
Itm	PK	Account	Account short text	Cost Ctr	Profit Ctr	Order	Tx	Amount	Text
1	40	200050	AP Accrued		GEN			159.353,34	MSER Purdue PS adj - Oct & Nov
2	50	505006	Recl of PFV or GR/IR		MRP			159.353,34-	MSER Purdue PS adj - Oct & Nov
3	50	102208	Purdue Pharma L.P.		GEN			526.104,87-	MSER Purdue PS Settlement - Oct thru Dec
4	40	505006	Recl of PFV or GR/IR		MRP			526.104,87	MSER Purdue PS Settlement - Oct thru Dec



## Exhibit 3D: Intercompany transfers between Rhodes Pharma and Purdue for all rights to morphine sulfate extended release generic

The amounts owed to PPLP are supported by schedules prepared by Rhodes showing the amount of sales of MSER, profit margin, and resulting profit share. The summary schedule below shows total profit share owed to PPLP highlighted in yellow.

Rhodes Pharmaceuticals, Inc. Purdue - Morphine Sulfate ER Profit Share Report for December Ytd 2011		
	Ytd	Ytd
	December 11	December 11
MORPHINE SULFATE ER 15MG TAB 100	436,692	\$ 10,948,787
MORPHINE SULFATE ER 30MG TAB 100	488,208	\$ 17,496,964
MORPHINE SULFATE ER 60MG TAB 100	317,616	\$ 28,861,811
MORPHINE SULFATE ER 100MG TAB 100	143,808	\$ 19,350,687
MORPHINE SULFATE ER 200MG TAB 100	17,640	\$ 3,327,224
<b>Gross Sales</b>	<b>1,403,964</b>	<b>\$ 79,985,473.24</b>
Less: Sales Allowances and Adjustments (SRA)		(61,724,673.85)
1st Time 5% Discount Order & Shelf Stocking Fee		(568,209.00)
QTD adjustment (SRA)		-
<b>Net Sales</b>		<b>\$ 17,692,590.39</b>
Cost of Goods Sold (Transfer Price)		(13,822,805.48)
Shipping Expense Fee (50 cents per unit)		(701,982.00)
<b>Net Margin</b>		<b>\$ 3,167,802.91</b>
<b>Purdue Margin Share ( )</b>		<b>\$ 1,583,901.46</b>
\$ per bottle price reduction 60MG for ( )		\$ (355,060)
<b>Purdue Share less adjustments</b>		<b>\$ 1,228,841.26</b>



## Exhibit 3E: Intercompany transfers between Rhodes Pharma and Purdue pursuant to Butrans AG profit-sharing agreement

On December 5, 2018, PPLP entered into a distributor agreement with Rhodes Pharmaceuticals L.P., the distributor, to sell generic products branded as Butrans Transdermal System.

### DISTRIBUTOR AGREEMENT

THIS DISTRIBUTOR AGREEMENT is entered into as of December 5, 2018 (the “Effective Date”), by and between Purdue Pharma L.P., a Delaware limited partnership (“Purdue”) and Rhodes Pharmaceuticals L.P., a Delaware limited partnership (the “Distributor”).

### PRELIMINARY STATEMENTS

A. Purdue, directly or indirectly through its Associated Companies, markets and sells Branded Product in the Territory.

B. Subject to the terms and conditions of this Agreement, Purdue desires to engage Distributor as an authorized, non-exclusive distributor to distribute, market and sell Product in the Territory.

C. Subject to the terms and conditions of this Agreement, Distributor desires to obtain from Purdue the right to distribute, market and sell Product in the Territory.

D. NOW, THEREFORE, in consideration of the foregoing and of the terms, conditions, agreements and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

## Exhibit 3E: Intercompany transfers between Rhodes Pharma and Purdue pursuant to Butrans AG profit-sharing agreement

Rhodes Pharma agreed to pay PPLP, i) production/storage/shipping costs, ii) between [REDACTED] and [REDACTED] of the gross profits as royalty, and iii) prorated [REDACTED] royalty ([REDACTED] of the net sales). [REDACTED] is used by Purdue to manufacture the products.

### ARTICLE IV

#### PAYMENTS AND REPORTS

4.1 Payment to Purdue. As consideration to Purdue for the rights granted to Distributor under this Agreement, Distributor will, in accordance with the terms of this Article IV, pay to Purdue (i) the Product Cost Payment and the Storage and Shipping Cost Payment, in each case, within sixty (60) calendar days after the date of Distributor's receipt of each correct and undisputed invoice provided by Purdue to Distributor from time to time; provided that, with respect to a disputed invoice, all amounts not in dispute shall be timely paid in accordance with this Section 4.1, (ii) the Royalty Payment within one hundred and eighty (180) calendar days after the end of each month during the Term based on Distributor's Gross Profit of Product for such month, and (iii) Distributor's prorated share of the [REDACTED] Royalty (as defined in Schedule 1.1C) within sixty (60) calendar days after the end of each quarter during the Term based on Net Sales for such quarter. The Royalty Payment shall be calculated as set forth on Schedule 1.1C.

## Exhibit 3E: Intercompany transfers between Rhodes Pharma and Purdue pursuant to Butrans AG profit-sharing agreement

Calculation of production costs and royalty payments is specified under Schedule 1.1C of the agreement.

### Schedule 1.1C

#### PRODUCT COST

The following table sets forth the Product Cost per Box (of four (4) patches each) shipped by Purdue to Distributor in each dosage strength under the Agreement. Product Cost will be reviewed and set annually by the Parties based on applicable [REDACTED] tiered price and additive cost (e.g., stability cost), but cease to include overhead allocation of supply chain that is shipped starting six (6) months after a Commercial Sale by a Generic Seller. Purdue will credit or debit Distributor for any difference between estimated and actual pricing.

#### ROYALTY PAYMENT

The Royalty Payment shall be equal to [REDACTED] of Distributor's Gross Profit; provided that:

- (i) if there has been a Commercial Sale by one or more Generic Sellers (as defined below) not authorized by Purdue, the Royalty Payment from that date forward shall be reduced to [REDACTED] of Distributor's Gross Profit;
- (ii) if there has been a Commercial Sale by one or more Generic Sellers and the total quantity of Product and/or Buprenorphine Product authorized by Purdue exceeds a cumulative market share of [REDACTED] then the Royalty Payment shall be reduced to [REDACTED] of Distributor's Gross Profit; and
- (iii) until there has been a Commercial Sale by one or more Generic Sellers, the Royalty Payment shall also include [REDACTED] of Distributor's Gross Profit on sales of any Box of Product in excess of [REDACTED] of market demand as measured by NPA, calculated on a calendar quarterly basis.

## Exhibit 3E: Intercompany transfers between Rhodes Pharma and Purdue pursuant to Butrans AG profit-sharing agreement

From July 1, 2017 to September 15, 2019, Rhodes Pharma was charged \$77.0 million by PPLP under the profit-sharing agreement.

Year	a Gross Profit Share	b Production Cost	c=a-b Net Profit Share
2017	n/a	n/a	\$ 15,568,950
2018	48,765,608	3,001,158	45,764,450
2019	18,093,132	2,420,725	15,672,407
Total	-	-	\$ <b>77,005,807</b>

Per discussion with Purdue, since 2018, PPLP has used two separate accounts (one for the gross profit share and one for the costs) to track cost of goods sold ("COGS"), shipping and warehousing costs related to Butrans AG profit share. In 2017, only the net profit share was booked under an intercompany account.

## Exhibit 3E: Intercompany transfers between Rhodes Pharma and Purdue pursuant to Butrans AG profit-sharing agreement

According to PTT's accounting records in SAP, PPT (SAP company code 241) recorded gross profit-share through G/L account 402000 (Sales Other). 2018 is illustrated below.

G/L Account		402000		Sales Other							
Company Code		241									
ate	Doc. Date	Period	Year/month	Type	Cost Ctr	Reference	Account	Profit Ctr	Text	Amount in local cur.	LCurr
<input type="checkbox"/>	018 05.04.2018	3	2018/03	AB		EN 0318 04	402000	BHC	BUP Rhodes Estimated AG - Mar 2018	4.479.934,83	USD
<input type="checkbox"/>	018 05.04.2018	3	2018/03	AB		EN 0318 04	402000	BHC	BUP Rhodes AG COGS February 2018	177.704,97	USD
<input type="checkbox"/>	018 05.04.2018	3	2018/03	AB		EN 0318 04	402000	BHC	BUP Rhodes AG COGS January 2018	167.797,96	USD
<input type="checkbox"/>	018 05.04.2018	3	2018/03	SA		EN 0318 04	402000	BHC	BUP Rhodes Estimated AG - Mar 2018	4.479.934,83-	USD
<input type="checkbox"/>	018 05.04.2018	3	2018/03	SA		EN 0318 04	402000	BHC	BUP Rhodes AG COGS February 2018	177.704,97-	USD
<input type="checkbox"/>	018 05.04.2018	3	2018/03	SA		EN 0318 04	402000	BHC	BUP Rhodes AG COGS January 2018	167.797,96-	USD
<input type="checkbox"/>	018 03.05.2018	4	2018/04	SA		EN 0418 09	402000	BHC	April 2018 Rhodes BUP AG Profit Share	3.342.257,08-	USD
<input type="checkbox"/>	018 06.06.2018	5	2018/05	SA		EN 0518 07	402000	BHC	May 2018 Rhodes BUP AG Profit Share	4.969.726,06-	USD
<input type="checkbox"/>	018 09.07.2018	6	2018/06	SA		EN 0618 11	402000	BHC	June 2018 Rhodes BUP AG Profit Share	3.605.178,98-	USD
<input type="checkbox"/>	018 06.08.2018	7	2018/07	SA		EN 0718 11	402000	BHC	July 2018 Rhodes BUP AG Profit Share	5.378.067,04-	USD
<input type="checkbox"/>	018 10.09.2018	8	2018/08	SA		EN 0818 11	402000	BHC	August 2018 Rhodes BUP AG Profit Share	6.477.187,58-	USD
<input type="checkbox"/>	018 10.09.2018	8	2018/08	SA		EN 0818 11	402000	BHC	YTD Rhodes AG transfer price adjustment	97.332,00-	USD
<input type="checkbox"/>	018 10.09.2018	8	2018/08	AB		EN 0818 11	402000	BHC	August 2018 Rhodes BUP AG Profit Share	6.477.187,58	USD
<input type="checkbox"/>	018 10.09.2018	8	2018/08	AB		EN 0818 11	402000	BHC	YTD Rhodes AG transfer price adjustment	97.332,00	USD
<input type="checkbox"/>	018 10.09.2018	8	2018/08	SA		EN 0818 11	402000	BHC	August 2018 Rhodes BUP AG Profit Share	6.477.187,58-	USD
<input type="checkbox"/>	018 10.09.2018	8	2018/08	SA		EN 0818 11	402000	BHC	YTD Rhodes AG transfer price adjustment	97.332,00-	USD
<input type="checkbox"/>	018 11.10.2018	9	2018/09	SA		EN 0918 11	402000	BHC	September 2018 Rhodes BUP AG Profit Share	3.797.316,56-	USD
<input type="checkbox"/>	018 13.11.2018	10	2018/10	SA		EN 1018 11	402000	BHC	October 2018 Rhodes BUP AG Profit Share	5.323.576,70-	USD
<input type="checkbox"/>	018 06.12.2018	11	2018/11	SA		EN 1118 11	402000	BHC	October 2018 Rhodes BUP AG Profit Share	4.428.192,35-	USD
<input type="checkbox"/>	018 18.01.2019	12	2018/12	SA		EN 1218 11	402000	BHC	December 2018 Rhodes BUP AG Profit Share	1.025.750,44-	USD
*										48.862.930,50-	USD

The difference of \$0.1M (\$48.9M in SAP - \$48.8M in the previous slide) comes from the transfer pricing adjustments (specifically, \$97,332).



## Exhibit 3E: Intercompany transfers between Rhodes Pharma and Purdue pursuant to Butrans AG profit-sharing agreement

According to PTT's accounting records in SAP, PTT (SAP company code 241) recorded production costs through G/L account 402999 (AG Sales). 2018 is illustrated below.

G/L Account		402999		AG Sales							
Company Code		241									
		Period	Year/month	Type	Cost Ctr	Reference	Account	Profit Ctr	Text	Amount in local cur.	LCurr
<input type="checkbox"/>		3	2018/03	SA		EN 0318 04	402999	BHC	BUP Rhodes AG COGS March 2018	262.913,98	USD
<input type="checkbox"/>		3	2018/03	SA		EN 0318 04	402999	BHC	BUP Rhodes AG COGS February 2018	177.704,97	USD
<input type="checkbox"/>		3	2018/03	SA		EN 0318 04	402999	BHC	BUP Rhodes AG COGS January 2018	167.797,96	USD
<input type="checkbox"/>		4	2018/04	SA		EN 0418 09	402999	BHC	April 2018 Rhodes BUP AG COGS	203.385,04	USD
<input type="checkbox"/>		5	2018/05	SA		EN 0518 07	402999	BHC	May 2018 Rhodes BUP AG COGS	300.916,47	USD
<input type="checkbox"/>		6	2018/06	SA		EN 0618 11	402999	BHC	June 2018 Rhodes BUP AG COGS	218.046,31	USD
<input type="checkbox"/>		7	2018/07	SA		EN 0718 11	402999	BHC	July 2018 Rhodes BUP AG COGS	298.978,78	USD
<input type="checkbox"/>		8	2018/08	SA		EN 0818 11	402999	BHC	August 2018 Rhodes BUP AG COGS	356.069,25	USD
<input type="checkbox"/>		8	2018/08	AB		EN 0818 11	402999	BHC	August 2018 Rhodes BUP AG COGS	356.069,25	USD
<input type="checkbox"/>		8	2018/08	SA		EN 0818 11	402999	BHC	August 2018 Rhodes BUP AG COGS	356.069,25	USD
<input type="checkbox"/>		9	2018/09	SA		EN 0918 11	402999	BHC	September 2018 Rhodes BUP AG COGS	210.108,37	USD
<input type="checkbox"/>		10	2018/10	SA		EN 1018 11	402999	BHC	October 2018 Rhodes BUP AG COGS	294.114,87	USD
<input type="checkbox"/>		11	2018/11	SA		EN 1118 11	402999	BHC	October 2018 Rhodes BUP AG COGS	302.434,29	USD
<input type="checkbox"/>		12	2018/12	SA		EN 1218 11	402999	BHC	December 2018 Rhodes BUP AG COGS	208.688,00	USD
*										3.001.158,29	USD

## Exhibit 3E: Intercompany transfers between Rhodes Pharma and Purdue pursuant to Butrans AG profit-sharing agreement

Butrans AG profit-sharing related transactions were accounted for as follows (below is the accounting for the profit-share for December 2018<sup>1</sup>):

Account Number	Account Description	DR	CR
<b>1. Profit-share recognized:</b>			
102250	Rhodes Pharmaceuticals LP - net profit-share	\$ 817,062	
402999	AG Sales - costs related to profit-share	\$ 208,688	
402000	Sales Other - gross profit-share		\$ 1,025,750
<b>2. Reclassification at the end of every month: From Rhodes account to PPLP account</b>			
102208	Purdue Pharma L.P.	\$ 817,062	
102250	Rhodes Pharmaceuticals LP		\$ 817,062
<b>3. Intercompany investment reclassification at the end of each year: From PPLP account to Partnership distributions account</b>			
302021	Capital #21 Distribution Purdue Pharma LP	\$ 817,062	
102208	Purdue Pharma L.P.		\$ 817,062
<b>4. Account close-out at year end: From Partnership distribution account to PPLP equity account</b>			
300021	Capital #21 Purdue Pharma LP	\$ 817,062	
302021	Capital #21 Distribution Purdue Pharma LP		\$ 817,062

<sup>1</sup>Monthly and annual non-cash transactions are performed in aggregate; amounts reflected in the chart for transactions 2-4 are presented only for demonstrative purposes.

## Exhibit 3E: Intercompany transfers between Rhodes Pharma and Purdue pursuant to Butrans AG profit-sharing agreement

These entries appear in SAP as follows:

### 1. Profit-share recognized

Doc.Type : SA ( G/L account document ) Normal document					
Doc. Number	100029595	Company Code	241	Fiscal Year	2018
Doc. Date	18.01.2019	Posting Date	31.12.2018	Period	12
Calculate Tax	<input type="checkbox"/>				
Ref.Doc.	EN 1218 11				
Doc. Currency	USD				
Doc. Hdr Text	Dec 18 Rhodes BUP AG				

Itm	PK	Account	Account short text	Amount	Text
1	50	402000	Sales Other	1.025.750,44-	December 2018 Rhodes BUP AG Profit Share
2	40	402999	AG Sales	208.688,00	December 2018 Rhodes BUP AG COGS
3	40	102250	Rhodes Pharm LP	817.062,44	December 2018 Rhodes BUP AG Profit Share

Net profit-share for December, 2018



## Exhibit 3E: Intercompany transfers between Rhodes Pharma and Purdue pursuant to Butrans AG profit-sharing agreement

These entries appear in SAP as follows:

### 2. Intercompany reclassification at the end of every month

Doc.Type : SA ( G/L account document ) Normal document					
Doc. Number	100029644	Company Code	241	Fiscal Year	2018
Doc. Date	14.02.2019	Posting Date	31.12.2018	Period	12
Calculate Tax	<input type="checkbox"/>				
Ref.Doc.	JA 1218 50	Overall No.	0100178534208 18		
Doc. Currency	USD				
Doc. Hdr Text	Dec Interco				

Itm	PK	Account	Account short text	Amount	Text
7	50	102250	Rhodes Pharm LP	2.683.482,29-	Dec 2018 Intercompany Elimination
8	40	102208	Purdue Pharma L.P.	2.683.482,29	Dec 2018 Intercompany Elimination

All transactions incurred in December 2018 for 102250 (Rhodes Pharma)

	Amount
<b>Net profit-share for December 2018</b>	<b>\$ 817,062.44</b>
Reclassification of <span style="background-color: black; color: black;">██████████</span> Royalty for 3Q 2018	1,175,240.95
Intercompany reclassification from RHODES PHARMACEUTICALS LP account	691,178.90
<b>Total before intercompany reclassification</b>	<b>2,683,482.29</b>
<b>Dec 2018 Intercompany reclassification</b>	<b>-2,683,482.29</b>
<b>Balance</b>	<b>0.00</b>

## Exhibit 3E: Intercompany transfers between Rhodes Pharma and Purdue pursuant to Butrans AG profit-sharing agreement

These entries appear in SAP as follows:

### 3. Intercompany investment reclassification at the end of each year

Doc.Type : SA ( G/L account document ) Normal document					
Doc. Number	100029645	Company Code	241	Fiscal Year	2018
Doc. Date	14.02.2019	Posting Date	31.12.2018	Period	12
Calculate Tax	<input type="checkbox"/>				
Ref.Doc.	JA 1218 51	Overall No.	0100178535208 18		
Doc. Currency	USD				
Doc. Hdr Text	Dec Interco				

Doc.Type : SA ( G/L account document ) Normal document					
Doc. Number	100029646	Company Code	241	Fiscal Year	2018
Doc. Date	14.02.2019	Posting Date	31.12.2018	Period	12
Calculate Tax	<input type="checkbox"/>				
Ref.Doc.	JA 1218 52	Overall No.	0100178536208 18		
Doc. Currency	USD				
Doc. Hdr Text	Dec Interco				

Itm	FK	Account	Account short text	Amount	Text
1	50	102208	Purdue Pharma L.P.	15.534.049,29-	Dec 2018 Interco Investment Reclass
2	40	302021	Cap #21 Distrib PPLP	15.534.049,29	Dec 2018 Interco Investment Reclass

Itm	FK	Account	Account short text	Amount	Text
1	40	102208	Purdue Pharma L.P.	27.678.729,88	Dec 2018 Interco Investment Reclass
2	50	302021	Cap #21 Distrib PPLP	27.678.729,88-	Dec 2018 Interco Investment Reclass

All transactions incurred in December 2018 for 102208 (PPLP)

	Amount
<b>Dec 2018 Intercompany Elimination - CMO services</b>	<b>\$ 2,683,482.29</b>
<b>Total of amounts accrued under G/L account 102208 from other workstream</b>	<b>-14,828,162.88</b>
Reclassification from accrued rebates	-11,523,785.04
Rebate (Write-off accrued rebates)	-8,059,757.79
True-up related to discount reserve	-3,377,681.58
Account Payable write-off (1002152 - )	-2,488,518.76
Other (Unknown from the text in SAP and less than \$1million)	-319,423.18
Legal fee accrual	-55,563.00
Pension, post retirement, medical, insurance related accrual	-54,889.00
Reconciliation Posting CO	-37,662.98
Intercompany reclassification from other entities (e.g. Avrio Health L.P., Purdue Pharma Puerto Rico, TXP Services)	11,089,118.45
<b>Total before intercompany investment reclassification</b>	<b>-12,144,680.59</b>
<b>Dec 2018 intercompany investment reclassification</b>	<b>12,144,680.59</b>
<b>Balance</b>	<b>0.00</b>

## Exhibit 3E: Intercompany transfers between Rhodes Pharma and Purdue pursuant to Butrans AG profit-sharing agreement

These entries appear in SAP as follows:

### 4. Account close-out at year-end

Doc.Type : AB ( Accounting document ) Normal document					
Doc. Number	100029748	Company Code	241	Fiscal Year	2018
Doc. Date	24.04.2019	Posting Date	31.12.2018	Period	12
Calculate Tax	<input type="checkbox"/>				
Ref.Doc.	JA 1218 120				
Doc. Currency	USD	Rev. Doc. For	100029747 / 2018		
Doc. Hdr Text	Close out dist				

Itm	PK	Account	Account short text	Amount	Text
1	40	300021	Capital #21PPLP	299.915.784,86	Close out 2018 contributions / distributions
2	50	301021	Cap #21 Contrib.PPLP	299.915.784,86-	Close out 2018 contributions / distributions
3	40	300021	Capital #21PPLP	97.598.706,94	Close out 2018 contributions / distributions
4	50	302021	Cap #21 Distrib PPLP	97.598.706,94-	Close out 2018 contributions / distributions

All transactions incurred in 2018 for 302021 (Capital #21 Distribution Purdue Pharma L.P.)

	Amount
<b>December 2018 Intercompany Investment Reclassifications including Butrans AG profit-share</b>	<b>\$ 15,534,049.29</b>
Intercompany Investment Reclassifications from January, 2018 to November, 2018 including Butrans AG	69,173,803.08
PPLP and Transdermal intercompany reclassification	12,890,854.57
<b>Total before close-out</b>	<b>97,598,706.94</b>
<b>Close-out</b>	<b>-97,598,706.94</b>
<b>Balance</b>	<b>0.00</b>

## **Exhibit 3F: Intercompany transfers between Purdue and Rhodes Tech for active pharmaceutical ingredients**

Rhodes Tech has sold various types of API to PPLP since 2008:

- Oxycodone hydrochloride from 2008 to 2019;
- Hydrocodone Bitartrate from 2010 to 2018;
- Methylphenidate from 2016 to 2019;
- Morphine Sulfate USP from 2017 to 2019;
- Buprenorphine in 2018; and
- Naloxone HCl Dihydrate in 2018.

## Exhibit 3F: Intercompany transfers between Purdue and Rhodes Tech for active pharmaceutical ingredients

Based on discussion with Rhodes, there is no formal agreement between Rhodes Tech and PPLP regarding the price of API per kilogram or minimum quantity of kilograms ordered per year. According to Rhodes, the prices at which Rhodes Tech sold API to Purdue were determined on the basis of historical market prices.

From January 1, 2008 to September 15, 2019, Rhodes Tech recognized API sales of \$644.4 million to PPLP.<sup>1</sup>

Year	Invoiced Amounts
2008	\$ 71,259,517
2009	77,620,161
2010	70,564,728
2011	54,140,369
2012	54,369,829
2013	52,971,362
2014	52,215,588
2015	33,726,418
2016	42,913,190
2017	44,207,976
2018	45,410,456
2019	45,042,850
<b>Total</b>	<b>\$644,442,441</b>

<sup>1</sup>Figures above represent amounts invoiced to the various IACs in the respective periods. Actual payments may differ slightly in timing.

## Exhibit 3F: Intercompany transfers between Purdue and Rhodes Tech for active pharmaceutical ingredients

Prior to 2013, sales of API to PPLP from Rhodes Tech were processed as journal entries in SAP (i.e., no invoices in SAP). An example of such a journal entry from 2008 is shown below, debited to account 102219 (Intercompany Account – Purdue Pharmaceuticals LP<sup>1</sup>) and credited to account 402000 (Sales – Other) on Rhodes Tech's books (SAP company code 227).

Document Overview - Display

Choose
Save
Tax data

Doc.Type : SA ( G/L account document ) Normal document

Doc. Number	100007463	Company Code	227	Fiscal Year	2008
Doc. Date	06.02.2008	Posting Date	31.01.2008	Period	01
Calculate Tax	<input type="checkbox"/>				
Ref.Doc.	WRD080101				
Doc. Currency	USD				
Doc. Hdr Text	Record Sales Rev				

Item	FK	Account	Account short text	Cost Ctr	Profit Ctr	Order	Tx	Amount	Text
1	50	402000	Sales Other		OXR			5.275.215,84-	Jan Sales to Wilson
2	40	102219	Purdue Wilson NC		GEN			5.275.215,84	Jan Sales to Wilson
3	50	402000	Sales Other		OXR			2.582.003,88-	Jan Sales to Totowa
4	40	102109	The PF Laboratories		GEN			2.582.003,88	Jan Sales to Totowa

<sup>1</sup>Purdue Pharmaceuticals LP is a 100%-owned subsidiary of PPLP.

CoCd	DocumentNo	Posting Date	Doc. Date	Period	Year/month	Type	Cost Ctr	Reference	Account	Profit Ctr	Text	Amount in local cur.	LCurr	Order
227	100007463	31.01.2008	06.02.2008	1	2008/01	SA		WRD080101	102219	GEN	Jan Sales to Wilson	5,275,215.84	USD	
227	100007850	29.02.2008	03.03.2008	2	2008/02	SA		WRD080201	102219	GEN	Feb Sales to Wilson	7,884,142.21	USD	
227	100008259	31.03.2008	01.04.2008	3	2008/03	SA		WRD080301	102219	GEN	March Sales to Wilson	6,021,217.13	USD	
227	100008410	30.04.2008	28.04.2008	4	2008/04	SA			102219	GEN		45,812.04	USD	
227	490009420	22.05.2008	30.04.2008	5	2008/05	RE		512809	102219	GEN		162.00	USD	
227	490009628	10.06.2008	30.04.2008	6	2008/06	RE		512802	102219	GEN		17,004.19	USD	
227	100008670	30.04.2008	01.05.2008	4	2008/04	SA		WRD080401	102219	GEN	April Sales to Wilson	7,887,965.82	USD	
227	100008687	30.04.2008	02.05.2008	4	2008/04	SA		EL 050208 32	102219	GEN		56,843.37	USD	
227	490009922	07.07.2008	29.05.2008	7	2008/07	RE		513301	102219	GEN		1,183.05	USD	
227	100009080	30.05.2008	01.06.2008	5	2008/05	SA		WRD080501	102219	GEN	May Sales to Wilson	8,045,578.20	USD	
227	100009189	30.05.2008	02.06.2008	5	2008/05	SA		WRD05024	102219	GEN		403.41	USD	
227	100009210	30.06.2008	16.06.2008	6	2008/06	SA		INTERCO INT	102219	GEN	INTERCO INT FEB-08	18,270.12	USD	
227	100009211	30.06.2008	18.06.2008	6	2008/06	SA		INTERCO INT II	102219	GEN	INTERCO INT MAR-08	45,190.70	USD	
227	100009211	30.06.2008	18.06.2008	6	2008/06	SA		INTERCO INT II	102219	GEN	INTERCO INT APR-08	63,743.44	USD	
227	100009212	18.06.2008	18.06.2008	6	2008/06	SA		5/16/2008 AMEX C	102219	GEN		7,884.60	USD	
227	100009214	30.06.2008	19.06.2008	6	2008/06	SA		INTERCO INT	102219	GEN	INTERCO INT MAY-08	81,504.39	USD	
227	100009214	30.06.2008	19.06.2008	6	2008/06	SA		INTERCO INT	102219	GEN	INTERCO INT JUNE-08	92,117.85	USD	
227	100009970	30.06.2008	30.06.2008	6	2008/06	SA		ASM 0608 08	102219	GEN	LCD JE 01 INTERCO CONSOLIDATION	35,014,705.21	USD	

Document Overview - Display

Doc.Type : SA ( G/L account document ) Normal document  
Doc. Number 100009970 Company Code 227 Fiscal Year 2008  
Doc. Date 30.06.2008 Posting Date 30.06.2008 Period 06  
Calculate Tax ☐  
Ref.Doc. ASM 0608 08 Overall No. 0100005635109 08  
Doc. Currency USD  
Doc. Hdr Text LCD JE 1

Item	PK	Account	Account short text	Cost Ctr	Profit Ctr	Order	Tr	Amount	Text
1	40	102208	Purdue Pharma L.P.		GEN			2,413,020.82	LCD JE 01 INTERCO CONSOLIDATION
2	50	102109	The PF Laboratories		GEN			2,413,020.82	LCD JE 01 INTERCO CONSOLIDATION
3	40	102307	Avrio Health L.P.		GEN			389,750.48	LCD JE 01 INTERCO CONSOLIDATION
4	50	102208	Purdue Pharma L.P.		GEN			389,750.48	LCD JE 01 INTERCO CONSOLIDATION
5	40	102208	Purdue Pharma L.P.		GEN			35,014,705.21	LCD JE 01 INTERCO CONSOLIDATION
6	50	102219	Purdue Wilson NC		GEN			35,014,705.21	LCD JE 01 INTERCO CONSOLIDATION



## Exhibit 3F: Intercompany transfers between Purdue and Rhodes Tech for active pharmaceutical ingredients

PPLP would periodically fund intercompany balances with Rhodes Tech on an ad hoc basis. Following the example from the prior slides, cash payments to Rhodes Tech (SAP company code 227) are credited to 102208 (Intercompany Account – PPLP) and debited to 100010 (Cash Concentration).

G/L Account Line Item Display

## Exhibit 3F: Intercompany transfers between Purdue and Rhodes Tech for active pharmaceutical ingredients

Sales of API to PPLP from Rhodes Tech were processed in SAP beginning in late 2013 as invoices to Purdue Pharmaceuticals L.P. Invoices processed in SAP in 2013 are shown below in SAP on Rhodes Tech's books (SAP company code 227). All other sales in 2013 were processed as journal entries.

List of Billing Documents

Subtotal

List of Billing Documents

Payer

0000134026  
PURDUE PHARMACEUTICALS LP  
WILSON

Billing date

01.01.2013 to 31.12.2013

Billing Doc.	Item S	Created by	BLIT	Σ	Net Value	Curr.	SOrg.	DChl	DstC	SDst	COT	Payer	Name of the payer	Address	Material	Description	Prod.hier.Plant	Batch	Billed qty	SU	S	Description
				Σ	379.830,41	USD																
91408089	10	BACKGROUND	ZF2		18.952,20	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320221	Hydrocodone Bitartrate, USP	RI01	2-11HYC	10,529	KG		Posted in
91408086	10	BACKGROUND	ZF2		360.878,21	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	054000	OXYCODONE HCL USP PWD	RI01		111,727	KG		Posted in

## Exhibit 3F: Intercompany transfers between Purdue and Rhodes Tech for active pharmaceutical ingredients

The example below shows the earliest invoice processed in SAP for PPLP from 2013. Once invoicing began to be processed in SAP, API sales were debited to account 101015 (Accounts Receivable Intercompany (SD and Manual Billings)) under PPLP's customer number (134026) and credited to an appropriate sales account on Rhodes Tech's books (SAP company code 227). In this instance, the amount was credited to 403000 (Foreign Sales) and the debit balance in PPLP's 134026 account was subsequently moved to 102219 (Intercompany Account – Purdue Pharmaceuticals LP).

**Document Overview - Display**

Doc.Type : ZD ( Customer invoice ) Normal document

Doc. Number 91408086 Company Code 227 Fiscal Year 2013

Doc. Date 11.11.2013 Posting Date 11.11.2013 Period 11

Calculate Tax ☐

Ref.Doc. 0000618144

Doc. Currency USD

Itm	PK	Account	Account short text	Cost Ctr	Profit Ctr	Order	Tx	Amount	Text
1	01	134026	PURDUE PHARMACEUTICA				01	360.878,21	11/13/13 sent copies to Walter d.td
2	50	403000	Foreign Sales		OXR		01	360.878,21-	

**Display Document: Line Item 001**

Customer 134026 PURDUE PHARMACEUTICALS LP G/L Acc 101015

CoCode 227 4701 PURDUE DRIVE

Rhodes Technologies WILSON Doc. No. 91408086

Line Item 1 / Invoice / 01

Amount 360.878,21 USD

General Ledger Account (4) 1 Entry found

G/L account with delete/lock flag in chart of accounts

Long Text ChAc DelFl Pstg block Crtn.block Plan.block G/L Acct

AR Intercompany (SD and Manual Billings) PURD 101015

1 Entry found

**Document Overview - Display**

Doc.Type : AB ( Accounting document ) Normal document

Doc. Number 100044677 Company Code 227 Fiscal Year 2013

Doc. Date 24.12.2013 Posting Date 24.12.2013 Period 12

Calculate Tax ☐

Ref.Doc. TO CLEAR 134026 Overall No. 0100044677227 13

Doc. Currency USD

Doc. Hdr Text act 134026 clear 30 days

Itm	PK	Account	Account short text	Cost Ctr	Profit Ctr	Order	Tx	Amount	Text
1	17	134026	PURDUE PHARMACEUTICA					379.830,41-	
2	40	102219	Purdue Wilson NC		GEN			379.830,41	

## Exhibit 3F: Intercompany transfers between Purdue and Rhodes Tech for active pharmaceutical ingredients

Continuing with the example from the prior slide, the balance was settled via a payment from Purdue Pharmaceuticals LP debited to account 100010 (Cash Concentration) and credited to account 102219 (Intercompany account – Purdue Pharmaceuticals LP).

G/L Account Line Item Display

**Document Overview - Display**

DocType : SA ( G/L account document ) Normal document

Doc. Number 100045440

Company Code 227

Fiscal Year 2014

Doc. Date 03.02.2014

Posting Date 31.01.2014

Period 01

Calculate Tax ☐

Doc. Currency USD

Doc. Hdr Text CTW 01282014 to 01312014

Item	PK	Account	Account short text	Cost Ctr	Profit Ctr	Order	Tx	Amount	Text
1	40	100010	Cash Concentration		GEN			2.018.465,16	FUNDING from RHODES PHARMACEUTICALS, LP
2	40	102208	Purdue Pharma L.P.		GEN			1.368.960,15	FUNDING to PURDUE PHARMA LP
3	40	201150	Payroll Suspense		GEN			645.939,51	PAYROLL PAYMENT
4	40	100010	Cash Concentration		GEN			645.000,00	FUNDING from SVC PHARMA LP
5	40	100010	Cash Concentration		GEN			373.445,12	FUNDING from P. PHARMACEUTICALS LP (NC)
6	40	102247	Rhodes Tech.Inc.		GEN			255.000,00	FUNDING to RHODES TECHNOLOGIES, INC. (247)
7	40	100040	Chase Control ZBA		GEN			64.332,48	CONTROL DISBURSEMENT ACCOUNT FUNDING
8	40	100010	Cash Concentration		GEN			20.322,83	FUNDING from PURDUE PHARMA TECHNOLOGIES, INC.
9	40	100040	Chase Control ZBA		GEN			15.317,30	CONTROL DISBURSEMENT ACCOUNT FUNDING
10	40	100040	Chase Control ZBA		GEN			5.326,06	CONTROL DISBURSEMENT ACCOUNT FUNDING
11	40	102213	Mundipharma LLC		GEN			575,57	FUNDING to MUNDIPHARMA LLC
12	40	100010	Cash Concentration		GEN			88,24	MISCELLANEOUS BANK DEPOSIT
13	50	102250	Rhodes Pharm LP		GEN			2.018.465,16	FUNDING from RHODES PHARMACEUTICALS, LP
14	50	100010	Cash Concentration		GEN			1.368.960,15	FUNDING to PURDUE PHARMA LP
15	50	100010	Cash Concentration		GEN			645.939,51	PAYROLL PAYMENT
16	50	102507	SVC Pharma L.P.		GEN			645.000,00	FUNDING from SVC PHARMA LP
17	50	102219	Purdue Wilson NC		GEN			373.445,12	FUNDING from P. PHARMACEUTICALS LP (NC)
18	50	100010	Cash Concentration		GEN			255.000,00	FUNDING to RHODES TECHNOLOGIES, INC. (247)



## Exhibit 3F: Intercompany transfers between Purdue and Rhodes Tech for active pharmaceutical ingredients

API sales from Rhodes Tech to PPLP from 2018 are shown below in SAP on Rhodes Tech's books (SAP company code 227).

By partner - Items List of Billing Documents

Subtotal

By partner - Items List of Billing Documents

Payer

0000134026  
PURDUE PHARMACEUTICALS LP  
WILSON

Billing date

01.01.2018 to 31.12.2018

Billing Doc.	Item S	Created by	BLIT	Σ	Net Value	Curr.	SOrg.	DChl	DstC	SDst	COT	Payer	Name of the payer	Address	Material	Description	Prod.hier. Plant	Batch	Billed qty
					45.410.455,55	USD													
92385215	10	BACKGROUND	ZF2		932.803,20	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320221	Hydrocodone Bitartrate, USP	RI01		518,224
92371427	10	BACKGROUND	ZF2		214.188,00	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320273	Oxycodone HCL USP PWD	RI01	510-18XYK	65,904
92371426	10	BACKGROUND	ZF2		54.954,25	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320273	Oxycodone HCL USP PWD	RI01	510-18XYK	16,909
92361657	10	BACKGROUND	ZF2		767.399,75	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320273	Oxycodone HCL USP PWD	RI01	511-18XYK	236,123
92361656	10	BACKGROUND	ZF2		511.234,75	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320273	Oxycodone HCL USP PWD	RI01	510-18XYK	157,303
92354479	10	BACKGROUND	ZF2		860.564,25	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320273	Oxycodone HCL USP PWD	RI01		264,789
92342372	10	BACKGROUND	ZF2		1.183.568,75	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	054000	OXYCODONE HCL USP PWD	RI01		364,175
92342370	10	BACKGROUND	ZF2		1.628.623,75	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	054000	OXYCODONE HCL USP PWD	RI01		501,115
92342368	10	BACKGROUND	ZF2		2.757.927,25	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320273	Oxycodone HCL USP PWD	RI01		848,593
92342366	10	BACKGROUND	ZF2		487.409,00	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320273	Oxycodone HCL USP PWD	RI01	508-18XYK	149,972
92331795	10	BACKGROUND	ZF2		244.484,00	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320356	Morphine Sulfate, USP	RI01		244,484
92331788	10	BACKGROUND	ZF2		324.441,00	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	054000	OXYCODONE HCL USP PWD	RI01	30-18XYK	99,828
92326189	10	BACKGROUND	ZF2		326.478,75	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	054000	OXYCODONE HCL USP PWD	RI01	9-18XYK	100,455
92326187	10	BACKGROUND	ZF2		996.007,00	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320356	Morphine Sulfate, USP	RI01		996,007
92326183	10	BACKGROUND	ZF2		321.369,75	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320273	Oxycodone HCL USP PWD	RI01	506-18XYK	98,883
92311473	10	BACKGROUND	ZF2		1.252.936,75	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320273	Oxycodone HCL USP PWD	RI01	505-18XYK	385,519
92311469	10	BACKGROUND	ZF2		832.345,00	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320356	Morphine Sulfate, USP	RI01		832,345
92311451	10	BACKGROUND	ZF2		582.812,75	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	054000	OXYCODONE HCL USP PWD	RI01	9-18XYK	179,327
92311450	10	BACKGROUND	ZF2		212.208,75	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320273	Oxycodone HCL USP PWD	RI01	505-18XYK	65,295
92311449	10	BACKGROUND	ZF2		268.005,60	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320221	Hydrocodone Bitartrate, USP	RI01	1-17HYC	148,892
92292549	10	BACKGROUND	ZF2		982.718,00	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320356	Morphine Sulfate, USP	RI01		982,718
92292548	10	BACKGROUND	ZF2		980.590,00	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320273	Oxycodone HCL USP PWD	RI01		301,720
92269613	10	BACKGROUND	ZF2		25.126,50	USD	227	DM	US		Z4	134026	PURDUE PHARMACEUTICALS LP	156534	320384	Naloxone HCl Dihydrate USP, Micronized	RI01	1-16NAM	4,786

Note: Not all sales in 2018 are visible in this screen capture.

## Exhibit 3F: Intercompany transfers between Purdue and Rhodes Tech for active pharmaceutical ingredients

As another example, the latest sale of API from Rhodes Tech to PPLP in 2018 is shown below. The sale was debited to account 101015 (Accounts Receivable Intercompany (SD and Manual Billings)) under PPLP's customer number (134026) and credited to account 401000 (Gross Sales) on Rhodes Tech's books (SAP company code 227). In this instance, the amount was then moved to 102219 (Intercompany Account – Purdue Pharmaceuticals LP).

Document Overview - Display

Document Overview - Display

<

Display Document: Line Item 001				
Additional Data				
Customer	134026	PURDUE PHARMACEUTICALS LP	G/L Acc	101015
CoCode	227	4701 PURDUE DRIVE		
Rhodes Technologies	WILSON	Doc. No.	91408086	
Line Item 1 / Invoice / 01				
Amount	360.878,21	USD		
General Ledger Account (4) 1 Entry found				
G/L account with delete/lock flag in chart of accounts			Key words	
Master records				
Long Text		ChAc DelFl	Pstg block Crtn.block Plan.block G/L Acct	
AR Intercompany (SD and Manual Billings)		PURD		101015
1 Entry found				

## Exhibit 3F: Intercompany transfers between Purdue and Rhodes Tech for active pharmaceutical ingredients

Following the example from the previous slides, the amount was then moved again to 102208 (Intercompany Account – PPLP), and subsequently paid to Rhodes Tech, evidenced by the debit to 100010 (Cash Concentration).

Document Overview - Display									
<div> </div>									
<div> <div>Doc.Type : SA ( G/L account document ) Normal document</div> <div> <div>Doc. Number 100061586</div> <div>Company Code 227</div> <div>Fiscal Year 2019</div> </div> <div> <div>Doc. Date 05.02.2019</div> <div>Posting Date 31.01.2019</div> <div>Period 01</div> </div> <div> <div>Calculate Tax <input type="checkbox"/></div> <div>Ref.Doc. LI 119</div> <div>Doc. Currency USD</div> <div>Doc. Hdr Text Adj JE</div> </div> </div>									
Item	PK	Account	Account short text	Cost Ctr	Profit Ctr	Order	Tx	Amount	Text
1	40	102208	Purdue Pharma L.P.		GEN			932.803,20	To adj 227 pymt to 219 - 208 has bank acct
2	50	102219	Purdue Wilson NC		GEN			932.803,20-	To adj 227 pymt to 219 - 208 has bank acct

Document Overview - Display									
<div> </div>									
<div> <div>Doc.Type : SA ( G/L account document ) Normal document</div> <div> <div>Doc. Number 100061545</div> <div>Company Code 227</div> <div>Fiscal Year 2019</div> </div> <div> <div>Doc. Date 01.02.2019</div> <div>Posting Date 31.01.2019</div> <div>Period 01</div> </div> <div> <div>Calculate Tax <input type="checkbox"/></div> <div>Ref.Doc. CMS</div> <div>Doc. Currency USD</div> <div>Doc. Hdr Text CTIN227 01282019-01312019</div> </div> </div>									
Item	PK	Account	Account short text	Cost Ctr	Profit Ctr	Order	Tx	Amount	Text
1	50	100010	Cash Concentration		GEN			78.039,04-	FUNDING XFER TO 006301511162509
2	50	100010	Cash Concentration		GEN			3.852,76-	FUNDING XFER TO 006301511162509
3	40	100010	Cash Concentration		GEN			932.803,20	INTER-COMPANY SETTLEMENT:DECEMBER 2018 Q/B/O PURDU
4	40	100010	Cash Concentration		GEN			275.411,14	CORP PAY
5	40	100010	Cash Concentration		GEN			1.500.000,00	CAPITAL MARKETS CREDIT JPMSI REDEMPTION DRE0761 re
6	50	100010	Cash Concentration		GEN			26.110,00	FUNDING XFER TO 006301511162509
7	40	100010	Cash Concentration		GEN			1.000.000,00	CAPITAL MARKETS CREDIT JPMSI REDEMPTION DRE0761 re
8	50	100010	Cash Concentration		GEN			950,00-	FUNDING XFER TO 006301511162509
9	40	100040	Chase Control ZBA		GEN			78.039,04	FUNDING XFER TO 006301511162509
10	40	100040	Chase Control ZBA		GEN			3.852,76	FUNDING XFER TO 006301511162509
11	50	100455	Chase Money Market		GEN			1.500.000,00-	CAPITAL MARKETS CREDIT JPMSI REDEMPTION DRE0761 re
12	40	100040	Chase Control ZBA		GEN			26.110,00	FUNDING XFER TO 006301511162509
13	50	100455	Chase Money Market		GEN			1.000.000,00-	CAPITAL MARKETS CREDIT JPMSI REDEMPTION DRE0761 re
14	40	100040	Chase Control ZBA		GEN			950,00	FUNDING XFER TO 006301511162509
15	50	102208	Purdue Pharma L.P.		GEN			932.803,20-	
16	50	102250	Rhodes Pharm LP		GEN			275.411,14-	



**AlixPartners**

## **Exhibit 4: Transfers Between Purdue and Pharmaceutical Research Associates L.P.**

## **Exhibit 4: Transfers from Purdue to Pharmaceutical Research Associates L.P.**

- A. Transfer from Purdue of its equity interest in Coventry Technologies L.P. to PRA L.P. in 2008
- B. Transfer from Purdue of its stock in Infinity Pharmaceuticals, Inc. to PRA L.P. in 2008, 2009, and 2013
- C. Transfer from Purdue of its equity interest in Millsaw Realty L.P. to PRA L.P. in 2009
- D. Transfer from Purdue of its stock in Kolltan Pharmaceuticals to PRA L.P. in 2009 and 2014
- E. Transfer from Purdue of its stock in Novelos Therapeutics, Inc. to PRA L.P. in 2009
- F. Transfer from Purdue of its equity interest in Lucien Holdings S.ar.l. to PRA L.P. in 2010
- G. Transfer from Purdue of its equity interest in New Suffolk Holdings LLP to PRA L.P. in 2010
- H. Transfer from Purdue of its rights to royalty payments from foreign IACs on non-ADF OxyContin to PRA L.P. in 2017
- I. Transfer from Purdue of all rights to Dilaudid to PRA L.P. in 2017
- J. Transfer from Purdue of all rights to MS Contin to PRA L.P. in 2017

## **Exhibit 4A: Transfer from Purdue of its equity interest in Coventry Technologies L.P. to PRA L.P. in 2008 at a valuation of \$52.3 million**

On January 1, 2008, PPLP and PLPAH<sup>1</sup> entered into an assignment and assumption agreement.

### **ASSIGNMENT AND ASSUMPTION AGREEMENT**

This Assignment and Assumption Agreement (the "Agreement") effective January 1, 2008 (the "Assignment Date") by and between Purdue Pharma L.P., a Delaware limited partnership ("Assignor"), and PLP Associates Holdings L.P., a Delaware limited partnership ("Assignee");

#### W I T N E S S E T H :

WHEREAS, Assignor desires to assign to Assignee, and Assignee desires to assume, 100% of the limited partnership interest in Coventry Technologies L.P., a Delaware limited partnership, held by Assignor (the "Partnership Interest"), all upon the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the promises and mutual covenants set forth herein, the parties hereto agree as follows:

1. Assignment. Assignor does hereby convey, transfer, assign and deliver to Assignee, and Assignee does hereby accept from Assignor, all of Assignor's right, title and interest in and to all of the Partnership Interest, to have and to hold the Partnership Interest hereby contributed, assigned, transferred and conveyed unto Assignee, its successors and assigns, to its and their own use and behalf forever.

## **Exhibit 4A: Transfer from Purdue of its equity interest in Coventry Technologies L.P. to PRA L.P. in 2008 at a valuation of \$52.3 million**

On January 1, 2008, Purdue Pharma Inc. ("PPI"), the general partner of PPLP, consented to the transfer of 100% interest in Coventry to PLPAH.

### **PURDUE PHARMA L.P.**

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#### **Written Consent of General Partner**

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The undersigned, Purdue Pharma Inc. ("PPI"), being the General Partner of Purdue Pharma L.P., a Delaware general partnership (the "Partnership"), in accordance with the Purdue Pharma L.P. Amended and Restated Limited Partnership Agreement dated as of January 2, 1997, hereby consents to the taking of the following actions and directs that this consent be filed with the minutes of proceedings of the Partnership:

RESOLVED, that the Partnership be and it hereby is authorized and directed to distribute to PLP Associates Holdings L.P, a Delaware limited partnership ("PLP"), 100 percent of the Partnership's limited partnership interest in Coventry Technologies L.P. ("Coventry"), a Delaware limited partnership (the "Coventry Distribution"); and further

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<sup>1</sup>In 2010, PLPAH was replaced by Purdue Holdings L.P. (now known as PRA L.P.) as the direct parent entity to PPLP.

## **Exhibit 4A: Transfer from Purdue of its equity interest in Coventry Technologies L.P. to PRA L.P. in 2008 at a valuation of \$52.3 million**

Per the 2008 audited financial statements, the equity interest in Coventry stock was transferred at book value of \$52.3 million (\$51.506 million of partners' capital & retained earnings + \$0.822 of accumulated other comprehensive income).

### **3. Coventry Technologies L.P.**

On January 1, 2008, PPLP distributed its ownership interest in Coventry Technologies L.P. and its wholly owned subsidiaries ("Coventry") to PPLP's partners. The carrying value of Coventry's consolidated balance sheet at January 1, 2008 consisted of the following:

	<b>January 1, 2008</b> <i>(In thousands)</i>
Cash	\$ 5
Inventory	22,882
Property and equipment, net	31,398
Other assets	6,294
Accrued expenses and other liabilities	1,236
Other liabilities	7,015
Partners' capital & retained earnings	51,506
Accumulated other comprehensive income	822

## Exhibit 4A: Transfer from Purdue of its equity interest in Coventry Technologies L.P. to PRA L.P. in 2008 at a valuation of \$52.3 million

Per internal spreadsheets, PPLP transferred the Coventry equity interest at \$52.3 million based on book value.

Account Number	December 2007	Eliminations	Adjusted
▽ Purdue Balance Sheet - GAAP	\$0		\$ 1,236
▽ Total Assets	\$ 120,997		
▽ Assets	\$ 120,997		
▽ Current Assets	\$ 24,839		
▷ Cash and Cash E	\$ 5		\$ 5
▷ Accounts Receivable			\$ 0
▷ Due from associat	\$ 1,830		\$ 1,830
▷ Other Receivables	\$ 0		\$ 0
▷ Inventories	\$ 22,882		\$ 22,882
▷ Prepaid and other	\$ 122		\$ 122
▽ Long Term Assets	\$ 96,158		\$ 37,692
▷ Investments Long	\$ 64,760	-\$ 58,466	\$ 6,294
▷ Property and Equi	\$ 31,398		\$ 31,398
▷ Intangibles			\$ 0
▷ Other Assets	\$0		\$ 0
▽ Total Liabilities	-\$ 120,997		-\$ 120,997
▽ Liabilities	-\$ 10,203		-\$ 10,203
▽ Current Liabilities	-\$ 3,189		-\$ 3,189
▷ Accounts Payable	-\$ 1,209		-\$ 1,209
▷ Accrued Expense	-\$ 1,980		-\$ 1,980
▷ Due to associated	\$0		\$ 0
▽ Long Term Liabilities	-\$ 7,015		-\$ 7,015
▷ Other	-\$ 7,015		-\$ 7,015
▽ Equity and Retained Earnings	-\$ 110,794		-\$ 52,328
▽ Equity	-\$ 1,072		-\$ 822
▷ Capital Stock - Co	\$ 0		\$ 0
▷ Additional Paid In	-\$ 250	\$ 250	\$ 0
▷ Minimum Pension	-\$ 822		-\$ 822
▷ Retained Earnings	-\$ 109,722	\$ 58,216	-\$ 51,506

## Exhibit 4A: Transfer from Purdue of its equity interest in Coventry Technologies L.P. to PRA L.P. in 2008 at a valuation of \$52.3 million

The non-cash transfer was recognized in PPLP's (SAP company code 208) accounting records. Below is the accounting of the 2008 distribution.<sup>1</sup>

Company	Account Number	Account Description	DR	CR
208	107215	Investment in Coventry Technologies		\$ (53,327,669)
208	302040	Dist IRC 1446 W/H Partnership	\$ 53,327,669	
401	107242	Invest-IRC 1446 W/H Partnership		\$ (53,327,669)
401	302032	Capital #32 Distribution BR	\$ 53,327,669	
413	107401	Investment PLP Associates Holdong LP		\$ (53,327,669)
413	302026	Capital #26 Distribution Beacon Company	\$ 26,163,835	
413	302027	Capital #27 Distribution Rosebay	\$ 26,163,835	

208: PPLP

401: PLP










413: BR Holdings Assoc. L.P.

<sup>1</sup>PLP Associates Holdings L.P. is a limited partner of Pharmaceutical Research Associates L.P. BR Holdings Associated L.P. is the parent of PLP Associates Holdings L.P.



## Exhibit 4A: Transfer from Purdue of its equity interest in Coventry Technologies L.P. to PRA L.P. in 2008 at a valuation of \$52.3 million

These entries appears in SAP as follows:

G/L account document						
Overall No. 0100047678208 08 Doc. Currency USD						
	CoCd	DocumentNo	Year	Type	Doc. Date	Pstng Date Reference Crcy
	Itm	PK Account		Account short text	Assignment	Tx Amount Text
	208	100047678	2008	SA	13.01.2009	31.12.2008 RC 1208 16 USD
	1	50 107215		Invest Coventry Tech	20090113	52.327.669,34- Coventry Distribution reconciliation Dec 2008
	2	40 302040		Dist IRC 1446	20090113	52.457.249,34 Coventry Distribution reconciliation Dec 2008
	3	40 302042		Dist #42 PP Inc	20090113	130.153,82 Coventry Distribution reconciliation Dec 2008
	4	50 102301		Purdue Pharma Inc.	20090113	130.153,82-
	5	50 102402		PLP Assoc Holdings	20090113	129.580,00-
	301	100000280	2008	SA	13.01.2009	31.12.2008 RC 1208 16 USD
	310	100000046	2008	SA	13.01.2009	31.12.2008 RC 1208 16 USD
	401	100000370	2008	SA	13.01.2009	31.12.2008 RC 1208 16 USD
	1	40 302032		Capital #32 Dist BR	20090113	52.327.669,34 Coventry Distribution reconciliation Dec 2008
	2	50 107242		Invest-IRC 1446 W/H	20090113	52.327.669,34- Coventry Distribution reconciliation Dec 2008
	402	100000175	2008	SA	13.01.2009	31.12.2008 RC 1208 16 USD
	410	100000083	2008	SA	13.01.2009	31.12.2008 RC 1208 16 USD
	412	100000171	2008	SA	13.01.2009	31.12.2008 RC 1208 16 USD
	413	100000153	2008	SA	13.01.2009	31.12.2008 RC 1208 16 USD
	1	40 302026		Capital #26 Distrib.	20090113	26.163.834,67 Coventry Distribution reconciliation Dec 2008
	2	40 302027		Capital #27 Distrib.	20090113	26.163.834,67 Coventry Distribution reconciliation Dec 2008
	3	50 107401		Invest. PLP Asc.Hold	20090113	52.327.669,34- Coventry Distribution reconciliation Dec 2008

<sup>1</sup>\$118,750 is a transaction between IACs 504 (Terramar) and 550 (ERG). Not within scope.